

**COVID-19 and World of Work**  
**Position Paper**  
**By**  
**Pakistan Worker's Federation (PWF)**  
**(20<sup>th</sup> March to 20<sup>th</sup> May, 2020)**

**Introduction:**

This position paper underscores the Pakistan Worker's Federation (PWF) stance on the outbreak of COVID-19. The paper overviews the situation arising as a result of this pandemic in the world of work globally, in South Asian region and in Pakistan. While focusing on the workers perspective, the paper has attempted to highlight the suffering of the working community in Pakistan in terms of job loss, inadequate social protection and insufficient rehabilitation measures. It has also highlighted the difficulties of the migrant workers. The efforts of the present Government to deal with the crises have also been analyzed. The paper also pointed out gaps in international standards and existing legislative framework in Pakistan to address Corona like issues. In the end, the paper advocated workers cause and put forwarded a number of steps, actions suggestions required from various stakeholders not only to address the existing crises but has also proposed long-term strategy to work on standards, laws and policy measures to address similar situations in future.

**Impacts of COVID-19 on the World of Work**

**The Global situation:**

Globally, there are (as of 20<sup>th</sup> May) nearly 5,085,666 confirmed cases of Coronavirus-19 pandemic on global. Nearly 329,736 lost lives in atleast 190 countries. Around 84 per cent of employers and 68 per cent of own-account workers live and work in countries affected by recommended or required workplace closures, with severe impacts on their incomes and jobs. According to the ILO now-casting model, global working hours declined in the first quarter of 2020 by an estimated 4.5 per cent (equivalent to approximately 130 million full-time jobs, and in the end of second quarter are around 10.5 per cent lower than in the last pre-crisis quarter. This is equivalent to 350 million full-time jobs, which represents a significant deterioration on ILO's previous estimate of 195 million for the second quarter. This has been driven mainly by prolongation and extension of containment measures. Among the most vulnerable in the labour market and almost 1.6 billion informal economy workers are significantly impacted by lockdown measures and/or working in the hardest-hit sectors. The eventual increase in global unemployment over 2020

will depend substantially on how the world economy fares in the second half of the year and how effectively policy measures will preserve existing jobs and boost labour demand once the recovery phase begins. **Approximately 47 million employers, representing** some 54 per cent of all employers worldwide, operate businesses in the hardest-hit sectors of the economy.

**A further 111 million enterprises in manufacturing, 51 million in accommodation and food services and 42 million in real estate and other business activities are currently facing an extraordinarily difficult business environment with major impacts on employment opportunities.**

**More than 2 billion** people worldwide work in the informal economy. As of 20<sup>st</sup> May 2020, 1.1 billion informal economy workers live and work in countries in full lockdown, and an additional 304 million in countries in partial lockdown. This estimate suggests that almost 1.6 billion informal economy workers, accounting for 76 per cent of informal employment worldwide, are significantly impacted by the lockdown measures and/or working in the hardest-hit sectors. Among informal economy workers significantly impacted by the crisis, women are overrepresented in high-risk sectors. With further increases in income inequality among workers, an even greater proportion of informal economy workers will be left behind.

As shown above, the impact of the pandemic is likely to be uneven, adding significantly to existing vulnerabilities and inequalities. The economic impact of 186 countries under the crunch of Corona virus is measured as tremendous for Pakistan. The worst hit countries have been the EU countries, USA and China. The consequences are that normal economic activity, both in the domestic economy of these countries and their external economic relations, (including Pakistan) has been severely disrupted. The magnitude of the negative economic impact globally above is so large that some writers have suggested that it will be even worse than the Great Depression of 1929/1930, which began at that time in United States. This global depression of 1930's, declined Global GDP to 26.7% and the Global unemployment to 25%. The Moody's rating agency has forecast that the current COVID-19 would cause that instead of an over 3 percent growth of the global economy in 2020, it will now see very negative growth. Conditions accordingly are unlikely to improve till 2021.

### **The South Asian Region:**

Due to this global crisis, the service industries have been sharply declining as of the restriction in movement and there is a disruption in the manufacturing sector exacerbating the situation of workers. The most vulnerable groups of workers – women, youth, older workers, migrant workers, self-employed and workers in precarious employment have been worst affected by the pandemic. Similarly, quarantines and lockdowns as a preventive measure imposed by some of the South Asian countries such as Bangladesh, India, Nepal and Pakistan severely affected the economy and livelihoods of the workers. Many migrants from South Asian Countries (both

internal and external) are currently stranded in transit or countries of destinations as government-imposed travel bans and close borders, while many others are stranded awaiting deployment, not knowing if they still have the jobs to which they were to be deployed. In the South Asian Region the latest ILO data on the labour market impact of the COVID-19 pandemic reveals the devastating effect on workers. As a result of the economic crisis created by the pandemic, almost 1.6 billion informal economy workers (representing the most vulnerable in the labour market), out of a worldwide total of two billion and a global workforce of 3.3 billion, have suffered massive damage to their capacity to earn a living. Along with these, adequate social protection for all including active labour market policies is yet to be developed in most of the South Asian countries, therefore, making workers most vulnerable during the COVID-19 crisis in terms of economy and health. Due to this global crisis, service industries have been sharply declining as of the restriction in movement and there is a disruption in the manufacturing sector exacerbating the situation of workers in all South Asian countries.

### **Impacts of COVID-19 in Pakistan**

Conditions in Pakistan are similar and not good. The country has nearly 43,898 confirmed cases of which 985 have passed away (as of 20<sup>th</sup> May). Services sector is the hardest hit sector. Tourism, hospitality, education, transport and all industrial and commercial activities in the formal and informal economies have been effected badly. Workers on Contract basis, skilled, semi-skilled, daily wage, piece rated workers as well as self-employed have been affected adversely. The Government is of the view that over 25,000 Pakistani expatriates in the Gulf-States have so far lost their jobs amid the coronavirus pandemic<sup>1</sup>.

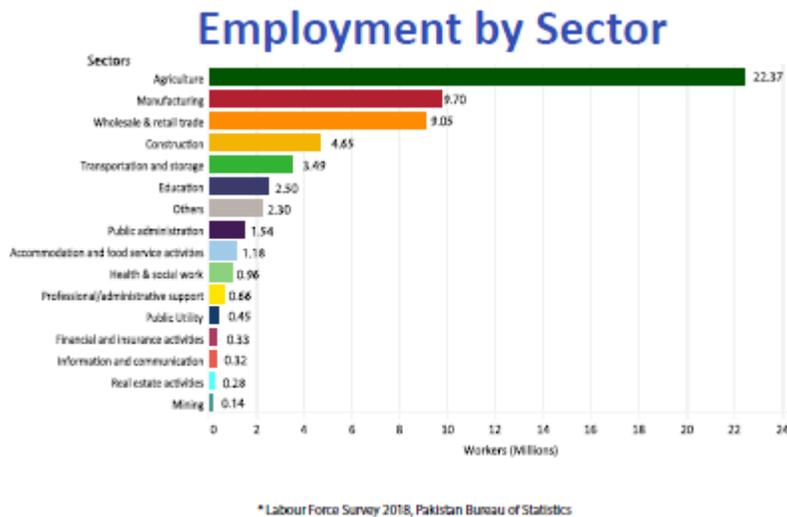
**Covid19 including lockdown has hit hard workers of Pakistan in the shape of estimated layoffs as under:-**

<b>Sectors</b>	<b>Estimated Lay Offs</b>
Agriculture	5.6 Million
Manufacturing	2 Million
Accommodation /Food	1.17 Million
Construction	4.17 Million
Mining & Quarrying	1 Million
Wholesale	6 Million
Transport and communication	1.95 Million
Daily Wagers	20.27 Million

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<sup>1</sup> Disclosed by Mr. Zulfi Bukhari, Special Assistant to Prime Minister on Overseas Pakistanis and Human Resource Development in an interview to Arab News

Workers	12.16 Million
Paid workers	5.6 Million
Street vendors	5.6 Million
Family Apprentices	0.3 Million



**PWF has further conducted a special survey to find out the situation on ground. The findings are as under:**

- More than ten thousand Power Loom Workers alone in Faisalabad have lost their jobs together with the textile sector.
- Basic data of the eligible workers for provision of cash grant and support in kind in the formal and informal sector is missing, the provincial governments prepared lists either on the basis of BISP record or on local contacts basis for award of cash grants and there is no reliable systematic mechanism in place to reach the deserving workers; health cards are being issued on the same analogy;
- Lakra coal mines closed due to lock down in Sindh and ten thousand mine workers who are migrant from KP have been stranded due to non-availability of transport and absence of any logistic support from the Government;
- Emigrant workers of Pakistan in the Middle East and in other countries are facing the major brunt of the crises, they have been fired by their employers, stranded as could not travel back home due to flight restrictions, spent most of their savings and have to face forced quarantine on their arrival back home; with financial constraint and absence of any compensation or social

protection mechanism they would be facing bleak future for indefinite period of time as their return to work may take years;

- Brick kiln workers of Jaranwala road, Faisalabad are going to lodge sit-in strike due to excesses of brick kiln owners, non-payment of minimum wage and undue deductions from their wages;
- Part-time workers, retailers, vendors, petty retailers, salespersons who were active during festivals selling broad range of products for use of children and women could not be seen this time before Eid;
- Workers of Metro Group are sent on Leaves for which they will deduct their casual leaves and medical leaves, and afterwards it will be unpaid leaves.
- Hundreds of thousand Brick kiln workers alone in Punjab province have lost their livelihood;
- Pearl Continental Hotel and several other five stars/four stars / and other hotels of below categories have sent their staff on unpaid leaves. Same is the situation, with restaurants, catering, take away service and others.
- Textile Industries in Pakistan have started Lay Off's, particularly those whose export are cancelled.
- 30% of the mine workers in Balochistan have also lost their jobs.
- Almost all restaurants and small shops have sent their employees on unpaid leaves.
- Due to lockdown, the transport workers i.e. conductors, drivers and helpers have also lost their livelihood, as they were mostly on daily remuneration.

Other than being a medical emergency, COVID-19 is also becoming a labour market emergency as tremendous workforce are losing their jobs. The more vulnerable are daily wage labourers and all such workers who are either working on a piece-rate basis and those working with on-demand service providers like Uber, Careem, Mauqua, Gharpar, etc. The **ILO** has estimated that the "economic and labour crisis created by the COVID-19 pandemic could increase global unemployment to more than 30 million".

### **Forecasting in economic terms:**

The problem is that there was already a slowing down of the growth momentum. The growth rate for 2019-20 was expected generally to be significantly lower than in 2018-19 and to come down to perhaps even below the target of 2.4 percent. In fact, the large-scale manufacturing sector has been exhibiting negative growth. Some of the major crops, especially cotton, are likely to see significant output

declines and various service activities like domestic trade and transport are in a state of recession. Therefore, the economy is inherently unable to face the major shock of negative global growth caused by the Coronavirus. There is the risk of a further massive decline in domestic economic activity, especially in industry which makes the more dominant contribution to GDP growth. The conditions in developed country markets are already exerting a negative impact on our exports. The stock market continues to be under pressure, partly because of the withdrawal of portfolio funds by foreign investors. There is an out pouring of news of closures of a host of large, medium and small industries and commercial enterprises in a wide range of sectors and the resulting heightening of risk perceptions. The large-scale continuing outflow of 'hot money', invested in Government short-term treasury bills, has already contributed significantly to a perceptible decline in foreign exchange reserves and an almost 7 percent depreciation in the value of the Rupee.

**The key economic predictions are:**

- i. The GDP could fall by 4.6 to 9.5 percent in the fourth quarter of 2019-20;
- ii. The rate of inflation could be as high as 16.1 percent;
- iii. The possible increase in number of unemployed workers can be to almost five million. This is the unemployment caused by the likely slowdown of the economy and is of a more lasting nature. The temporary unemployment resulting from a lockdown / curfew could be of as much as 10.5 million workers, including daily wage and contract/casual and workers in informal economy;
- iv. The number of people who could fall below the poverty line ranges from 9 to 15 million. The volume of exports of goods and services could fall by almost 7 to 15 percent. The financial account of the balance of payments is likely to come under stress because of the big anticipated decline in foreign direct investment and continuing exit of portfolio funds. This could be partially mitigated by an increase in the inflow of borrowing from the IMF, World Bank and the ADB, although because of their internal institutional processing mechanisms they are more likely to become available in June or early next financial year. However, debt service payments will peak in the fourth quarter and consequently the surplus in the financial account may not be large enough to fully finance the current account deficit. Consequently, there could be some pressure on the foreign exchange reserves. Already, this process has begun, due initially to the exit of 'hot money'. The IMF program will need to be focused more on preventing the economy from going into a deeper recession;
- v. The big fall is going to be in the industrial sector of the economy. It could fall by as much as 14 percent, due to a decline in the volume of exports and fall in domestic consumer demand. The services sector could also see a big

contraction of over 11 percent. This will be the case especially in wholesale and retail trade, transport and financial services.

**The estimated GDP loss in the fourth quarter of 2019-20 is potentially large. It has been calculated at Rs 891 billion to Rs 1602 billion at current prices. The tax revenue loss could range from Rs 150 billion to Rs 290 billion. However, this will be partially compensated for by a decline in the cost of debt servicing of Rs 90 billion over the next three months. Also, as the decline in the oil price gets reflected in imports the Petroleum Levy could yield additional revenues of Rs 100 billion by end-June 2020.**

### **Labour Market landscape and shocks of COVID-19 in Pakistan:**

According to the World Bank, 20 million (about 10%) in Pakistan are elderly, aged 50 and above. Pakistan has a labour force of 65 million of which more than 4 million (6%) are already unemployed. The services sector, be it food and accommodation services (tourism and hospitality industry), educational institutions, retail, and the transportation sector, has been the worst hit. The share of services in total employment is nearly 40%. The Labour Force Survey of 2018 indicates that 1.18 million workers are engaged in the food and accommodation sector. Those working in the education sector are 2.5 million, while the transport and storage sector alone employs 3.5 million.

### **There are three aspects of COVID-19 which created labour market shocks:**

The number of jobs is declining due to closures leading to increased unemployment and underemployment. The quality of employment is worsening due to lack of income replacement programs in the event of sickness or unemployment, i.e., lack of social protection; and it is disproportionately impacting the already vulnerable including elderly, women, persons with disabilities and own-account workers.

COVID-19 is both a supply-side and demand-side shock and is poised to impact small and medium enterprises the most. Interestingly most of the enterprises in Pakistan are micro enterprises, employing less than ten workers. These are also the enterprises which would find it challenging to comply with cumbersome legislative commandments. The private non-agriculture sector engages 29 million workforce. Of these, 25 million are working in enterprises employing less than five workers. Data further show that of the 25.7 million wage employees, only 14.6 are monthly paid workers. Remaining 11 million are either daily wagers (5 million), weekly earners (4 million) and piece-rated workers (1.8 million). Due to the closures, many of these casually and irregularly paid workers have lost their jobs. The estimated unemployment increase is at least 2 million (20% of the casually employed workforce). These estimates are conservative since not taking into account livelihood losses for self-employed workers like street vendors and gig workers.

Similarly, these estimates do not take into account much of the manufacturing sector, which will bear the brunt of shock once foreign orders has started cancelling. As estimated above, job losses can be more than 2 million. Generally, unemployed would engage in self-employment or move to another location. However, considering the imminent lockdowns and curfew-like situations, this was also not possible.

More than 56% of overall employment in Pakistan is vulnerable employment (a combination of own account and contributing family workers). Vulnerable workers are less likely to have formal work arrangements leading to lack of decent working conditions, adequate social security and representation by trade unions and similar organizations. Vulnerable employment generally encompasses inadequate earnings, low productivity and difficult conditions of work. It is also a measure of precariousness of employment. Youth (15-24 years) unemployment rates have always been higher than the general unemployment rate. Youth unemployment is presently estimated at 11%. It will further increase after the COVID induced lockdowns.

Due to increased unemployment, poverty headcount is also at tremendous increase. The latest official figures on poverty are from 2016, which indicated that 24.3% of the total population was living below the national poverty line. The particularly vulnerable under the current condition are elderly and those with pre-existing health conditions, women workers (teachers, care workers, travel and tourism workers), persons with disabilities, and own-account (self-employed) workers like street vendors and gig workers engaged with different digital labour platforms. Corona virus has brought to the fore critical workplace issues. These include access to healthcare, paid sick leave, job security during illness, access to unemployment benefits, and access to safe workplaces along with free protective equipment.

65 million workers and the rest Pakistani population currently living life with lockdown situation due to rapid spread of Covid-19, most of the working people at formal and informal sector are out of workplace as an impact of this state direction, but workers and employees at health sector, public and emergency services, , print and media, workers at readymade garments sector, agriculture, food and retail sector, household waste recycling sector keep continuing their work at this pandemic period to keep the society and nation functional with serious threat of corona virus exposure. Most of the functioning workplaces measures such as distancing and personal equipment are insufficient and most of the cases absent. One thing that is clear is very clear to workers that, most of the transmission is occurring in workplaces such as, production facilities, hospitals and care facilities, as well as the workplaces where transmission can occur between workers with the public. It's also need to mention here that still a big majority working population under this pandemic doing job at the

workplaces without the comprehensive legal protection when exposed to a **disease caused by a biological agent**. This poses a tremendous risk to workers and employees, their families as well as the communities where they live.

Workers organization therefore demanded on this special day to stop pandemic at work and asking the **government to immediately recognize the Covid-19 as an occupational disease**. Urgent efforts are needed to ensure that vulnerable group of workers and employees with Covid-19 should have appropriate access to proper housing, with space for quarantine and social distancing while sleeping and eating, potable water and proper sanitation facilities on and off the job, free health care, safe transport, safe work practices and income protection.

A just response to the Corona Virus pandemic is one that demands access to healthcare, safety and hygiene, social protection, and basic human rights. Now more than ever civil society must strive to not only provide aid where it is needed, but to act in solidarity with emergent working class and social movements demanding a better and safer world of work for all.

Covid-19 is and will be remembered as the virus that stopped the world. We are living through a period that can only be described as the greatest act of solidarity in history, as people give up civic freedoms to save lives. While we all agree that managing the health crisis is the overwhelming priority, the social and economic consequences are and will be dramatic in an already troubled world. On May 1<sup>st</sup> we salute the workers in health, care and other frontline sectors whose work is essential to saving lives and providing vital products and services and who selflessly put their own health at risk. However, we share the ILOs assessment of the risk of around 300 million jobs or the equivalent in full time hours being lost in the second quarter of 2020. In addition, some 250 million people could face starvation and Oxfam reports that 500,000 million people could be thrown back into poverty. The provision of sick pay, wage guarantees, income support for workers of platform business, freelancers and other forms of non-standard work are also crucial. But we ask them to do more. As we witness the plight of workers in poorer countries fired or abandoned due to collapsing supply chains or day labourers and workers in the informal economy, we call for international support. Governments need to act to deliver urgent social protection for health and income support. It is almost 10 years since the UN endorsed global protection floors for the poorest of countries after the Bachelet report. It was in 2015 this was written into the SDGs with the promise of Goal 1.3. Now it is time to deliver.

Compared to around \$10 trillion being spent on this crisis \$35 billion would fund 5 years of social protection for the 28 poorest countries and build both a basic economy and resilience against the next crisis. Every dollar after that would assist

coverage in other countries. If we can't exercise global solidarity and share resources now for health and income support now, then when? And of course we condemn those governments that refuse to cooperate with unions at home or with other countries internationally as well as those who deny the reality of the pandemic, or allow violence and human rights abuses at enormous cost to their own people. The International Trade Union Confederation (ITUC) and its members are standing in solidarity against these attacks. We have massive inequality driving an age of anger with civil unrest and a distrust in democracy that was already recognized as a major risk to economies; The climate emergency is and will remain an imperative for action to save human beings from extinction; Progress on every indicator has stalled for women and violence against women remains largely unchecked; Racism and xenophobia are on the rise as a tool of fear on which far-right politics are built; We are facing the choices associated with the best and worst impacts of technology; and Multilateralism is in crisis as people lose trust in globalization. And now we have Covid-19.

### **Impacts of COVID-19 on Migrant Workers**

Migrant workers represent 4.7 per cent of 2.2 billion global labour pool comprising 164 million workers, with nearly half being women. In many countries migrant workers represent a significantly larger share of the workforce making important contributions to societies and economies, and serving on the front lines carrying out essential jobs in health care, transport, services, construction, and agriculture and agro-food processing. Yet, most migrant workers are concentrated in sectors of the economy with high levels of temporary, informal or unprotected work, characterized by low wages and lack of social protection. Migrant workers are often first to be laid-off but last to gain access to testing or treatment in line with nationals. They are often excluded from national COVID-19 policy responses, such as wage subsidies, unemployment benefits or social security and social protection measures. Where access to COVID-19 testing or medical treatment is available, they may not come forward due to fear of detention or deportation, especially those in an irregular status. In the case of domestic migrant workers, home-based workers, agricultural workers and others in the informal economy, exclusion in many countries stems from the fact that labour law does not regard them as workers. In some cases, travel restrictions have trapped migrants in countries of destination with few options to return home. Layoffs of migrant workers not only often lead to income losses but also the expiration of visa or work permits, putting migrants into undocumented or irregular status. Travel restrictions have also meant that many migrant workers have been prevented from taking up employment abroad for which they have contracts, and for which many may have paid high recruitment fees and

costs. This, in turn, can lead to further irregular movements, potential debt bondage and human trafficking. Loss of income is also resulting in a collapse in money sent home by migrant workers, with **remittances expected to decrease by almost USD \$110bn this year**. The impacts on women migrant workers appear to be compounded as they are over-represented in the informal economy and among undocumented workers in many countries. Women migrant workers employed as front-line health and care workers are in a particularly high-risk group for COVID-19. Further, those who experience increased levels of violence or harassment – in accommodation, at work, in quarantine facilities, or upon retrenchment and return home – now have fewer options for support services. Globally, many support services for migrant workers and particularly addressing violence against women have been forced to downscale, close, or are online/phone-only models.

A number of countries have taken measures to ensure migrant workers are included in national social protection schemes, and have free access to testing and screening irrespective of their status. Among others, Qatar, Saudi Arabia and Malaysia provide free screening and testing for migrant workers.

For migrant workers who are in irregular status or returning home, strong collaboration with the country of origin on amnesties, regularization, information exchange and processes of return can ensure protections and smoother repatriation (including processing documents), and support for skills recognition and other measures to facilitate effective reintegration into labour markets. For example, bilateral (and sub-regional) cooperation can facilitate economic support to migrants who have lost their jobs or help prepare them for re-entry and reintegration into home labour markets.

Skills recognition for migrant workers to take up employment opportunities arising in health care and other sectors can also help meet labour market needs and foster workers' reintegration into jobs in home countries. Peru and Argentina, for example, are developing expedited procedures for the recognition of the professional qualifications of Venezuelan migrants in the country of destination.

Some countries of origin are enhancing unilateral measures or consular services in countries of destination. They are establishing dedicated helplines, website, focal points in line ministries and information exchange that target the specific needs of their nationals working broad, including information services, legal assistance and humanitarian support to stranded workers (e.g., India, Sri Lanka,

Pakistan, Bangladesh) including to provide emergency services to their migrant workers.

The concerted action of governments, employers' and workers' organizations in developing COVID-19 policy responses can help to address many labour market issues, including health and safety and adequate working conditions, support to businesses and small enterprises, extension of social protection, and the consideration of employment opportunities for migrant workers. The International Organization of Employers (IOE) and International Trade Union Confederation (ITUC) issued a joint statement on COVID-19 calling for enhanced coordination of all actors and for international financial institutions to support socio-economic measures and policies. It further called "in the strongest terms" for social dialogue and on the important role of the social partners.

Employers' and workers' organizations can also take useful steps in their individual capacity. The International Organization of Employers (IOE), for instance, has published a Guide for surviving COVID-19 with practical recommendations and strategies for business, including in communicating with employees and taking safety and health measures in the workplace. The ILO Employers Guide recognizes that migrant workers are one of the groups vulnerable to COVID-19 and provides detailed guidance on how to create a working environment that does not discriminate or stigmatize those who have contracted the virus. Practical suggestions are provided on a range of issues for employers to consider, such as establishing gender-sensitive policies inclusive of migrant workers, persons with disabilities and minority groups, encouraging workers to proactively report abusive incidents, and establishing complaints mechanisms, to avoid and prevent unlawful discrimination, harassment or violence against workers or their family members who have contracted COVID-19. Workers' organizations are also actively helping to support the promotion and protection of the rights of workers, including migrant workers, during the pandemic in affected communities. International trade union organizations, such as the ITUC and ETUC, have created specific spaces on their websites to collect information of their affiliates or to showcase the actions for the defence of workers' rights during the pandemic which includes migrant workers' rights. The ILO collects and updates information on public responses to the COVID-19 crisis and implications for workers.

The ILO is taking concrete measures in this direction. It is helping to support: evidence-based policy-making through the creation of monitoring and rapid assessment tools, and trade unions and Migrant Worker Resource Centers to

circulate questionnaires to assess the impact of COVID-19 on migrant workers' health and livelihoods, while also providing assistance for recovery of migration expenses and unpaid wages and, where needed, health kits for returning migrants. At the regional level in Asia and the Middle East, a number of country specific efforts are ongoing. For example, ILO is offering support to the Government of Qatar in the development of guidelines on health and employment for all workers and to the National Commission for Women in India in issuing guidelines for the protection of internal women migrant workers.

Together with its partners, ILO is reorienting development cooperation activities to assist governments in Africa, Asia and Latin America to ensure national health and safety, social protection and economic policies are inclusive of all migrant workers. To help address the challenges of labour market reintegration of returning migrant workers, ILO is updating technical guidance and tools, including on skills recognition, for targeted delivery in various countries and regions. The challenge is to scale up these efforts quickly to support national efforts to ensure migrant workers are not left behind in national COVID-19 responses as countries move beyond the pandemic.

### **The ILO's International standards and their Relevance with the situation arising due to COVID-19**

The trend is particularly ironic in the case of COVID-19, because a virus by its nature knows no geographic boundaries and recognizes no national sovereignty. However, it is exceptionally good at revealing the inherent weaknesses of each individual countries' social and economic systems, and their ability to respond. It also challenges the capacity of individual multilateral agencies, as well as the collective power of the multilateral system to come together and deliver as one when under pressure.

COVID-19 should – and can – remind us why international institutions like the ILO were created. The particular relevance of the ILO is clear from the principles outlined in the ILO Centenary Declaration on the Future of Work, agreed in 2019, 100 years after the Organization's foundation. The preamble states that, "*persistent poverty, inequalities and injustices, conflict, disasters and other **humanitarian emergencies** in many parts of the world constitute a threat to those advances and to securing shared prosperity and decent work for all.*"

The Declaration calls for better engagement and cooperation within the multilateral system, to strength policy coherence. It reaffirms that decent work is vital for sustainable development, including addressing income inequality, ending poverty, and paying special attention to places affected by conflict, disaster and other forms of **humanitarian emergency**. Importantly, it also reminds us that, "*the failure of any country to adopt humane conditions of labour is more than ever an obstacle to*

*progress in all other countries.*” This lesson on the futility of isolationism has been starkly reiterated by COVID-19.

The International Labour Organization maintains a system of international labour standards (ILS) aimed at promoting opportunities for women and men to obtain decent and productive work, in conditions of freedom, equity, security and dignity. Labour Standards are a useful decent work compass in the context of the crisis response to the COVID 19 outbreak. First, respecting key provisions of ILS relating to safety and health, working arrangements, protection of specific categories of workers, non-discrimination, social security or employment protection is the guarantee that workers, employers and government maintain decent work while adjusting to the COVID-19 pandemic. Secondly, a wide range of ILO labour standards on employment, social protection, wage protection, SMEs promotion or workplace cooperation contain specific guidance on policy measures that would encourage a human-centred approach to the crisis and to its recovery. Their guidance extends to the specific situation of certain categories of workers, such as nursing personnel, domestic workers, migrant workers, seafarers or fishers, who we know are very vulnerable in the current context. Respect for these standards further contributes to a culture of social dialogue and workplace cooperation that is key to building the recovery and preventing a downward spiral in employment and labour conditions during and after the crisis. International labour standards illustrate expected conduct and embody resilience in front of concrete situations in the world of work and are fundamental to any long-lasting and sustainable response to pandemics reaffirmed that the setting, promotion, ratification and supervision of international labour standards is of fundamental importance to the ILO. All ILO legal instruments lay down the basic minimum social standards agreed upon by all the players in the global economy. Countries may implement higher levels of protection and enhanced measures so as to better mitigate the impact of the crisis. including the COVID-19. Developed and periodically reviewed and where needed revised over the past century, **International Labour Standards** (ILS) respond to the changing patterns of the world of work, for the purpose of the protection of workers and taking into account the needs of sustainable enterprises. **In 2019, the Centenary Declaration for the Future of Work, contain specific guidance for ensuring decent work in the context of crisis response, including guidance that could be of relevance to the evolving COVID-19 outbreak.** One of the most recent international labour standards, the Employment and Decent Work for Peace and Resilience Recommendation, 2017 (No. 205) which was adopted by an overwhelming majority of all constituents, emphasizes that crisis responses need to ensure respect for all human rights and the rule of law, including respect for fundamental principles and rights at work and for international labour standards.

**The Recommendation outlines a strategic approach to crisis response, including the adoption of a phased multi-track approach implementing coherent and comprehensive strategies for enabling recovery and building resilience that include:**

- stabilizing livelihoods and income through immediate social protection and employment measures;
- promoting economic recovery for employment and decent work opportunities and socio-economic reintegration;
- conducting employment impact assessments of national recovery programmes;
- providing guidance and support to employers to enable them to take effective measures to identify, prevent, mitigate and account for how they address the risks of adverse impacts on human and labour rights in their operations, or in products, services or operations to which they may be directly linked;
- promoting social dialogue and collective bargaining;
- building or restoring labour market institutions, including employment services, for stabilization and recovery;
- developing the capacity of governments, including regional and local authorities, and of employers' and workers' organizations; and
- taking measures, as appropriate, for the socio-economic reintegration of persons who have been affected by a crisis, including through training programmes that aim to improve their employability.

**Key measures for enabling recovery and promoting employment and decent work ILO Conventions 122:** As mentioned earlier the ILO estimates that more than 25 million jobs could be lost worldwide as a result of the COVID-19 pandemic. Going forward, the promotion of full, productive and freely chosen employment (in accordance with the Employment Policy Convention, 1964 (No. 122) will need to include selective measures to stabilize economies and address employment problems, including fiscal and monetary stimulus measures, aimed at stabilizing livelihoods and income as well as safeguarding business continuity.

- A phased multi-track approach to enabling recovery should include immediate social protection and employment measures promoting, among others, local economic recovery.
- In the context of an economic downturn, sustaining minimum wage levels is particularly relevant as, overall, minimum wages can protect workers in a

vulnerable situation and reduce poverty, increase demand and contribute to economic stability.

**Employment suspension or Termination (ILO Convention 168:** Workers whose employment is suspended, reduced or terminated due to the economic impact of COVID-19 or for health and safety reasons should be entitled to unemployment benefits or assistance to compensate for the loss of earnings incurred as a consequence, in accordance with the Employment Promotion and Protection against Unemployment Convention, 1988 (No.168)

- Workers who have lost their jobs should have access to employment promotion measures, including employment services and vocational training with a view to their reintegration into the labour market.
- With respect to individual termination, the Termination of Employment Convention, 1982 (No. 158) provides that, as a basic principle, the employment of a worker shall not be terminated in the absence of a valid reason for such termination connected with the capacity or conduct of the worker or based on the operational requirements of the undertaking. Temporary absence from work due to illness or family responsibilities do not constitute valid reasons for termination.
- With respect to collective dismissals, Convention No. 168 provides that an employer contemplating terminations for economic reasons shall provide workers' representatives with relevant information (including the reasons for the terminations contemplated, the number and categories of workers likely to be affected and the period over which the terminations are intended to be carried out) and give, in accordance with national law and practice, the workers' representatives concerned, as early as possible, an opportunity for consultation on measures to be taken to avert or to minimize the terminations and measures to mitigate the adverse effects of any terminations on the workers concerned such as finding alternative employment. The Convention also provides for notifying the competent authority, as prescribed, when terminations are contemplated.
- In this respect, the Termination of Employment Recommendation, 1982 (No. 166) highlights that all parties concerned should seek to avert or minimize as far as possible termination of employment for reasons of an economic, structural or similar nature, without prejudice to the efficient operation of the undertaking, establishment or service, and to mitigate the adverse effects of any termination of employment for these reasons on the worker or workers concerned. It also provides that, where appropriate, the competent authority

should assist the parties in seeking solutions to the problems raised by the terminations contemplated.

**Wage protection:** In the event of the bankruptcy or judicial liquidation of an undertaking (including resulting from the impact of COVID-19), the Protection of Wages Convention, 1949 (No.95) provides that employed workers shall be treated as privileged creditors for unpaid wages that are protected under the applicable national legislation.

**OSH (Employer Responsibility):** Employers have the overall responsibility of ensuring that all practicable preventive and protective measures are taken to minimize occupational risks (Occupational Safety and Health Convention, 1981 (No. 155) Employers are responsible for providing, where necessary and so far as is reasonably practicable, adequate protective clothing and protective equipment, at no cost to the worker. Employers are responsible for providing adequate information and appropriate training on OSH; consulting workers on OSH aspects associated with their work; providing measures to **deal with emergencies**; and notifying the labour inspectorate of cases of occupational diseases.

**Workers' rights and responsibilities during the outbreak:** Workers are responsible for cooperating in the fulfilment by their employer of the OSH obligations placed on them, complying with the prescribed safety measures, taking reasonable care for the safety of others (including avoiding exposing others to health and safety risks), and use safety devices and protective equipment correctly. These are:

- OSH measures shall not involve any expenditure for workers.
- Arrangements in workplaces shall mandate workers to report to their immediate supervisor any situation which they have reasonable justification to believe presents an imminent and serious danger to their life or health. Until the employer has taken remedial action, if necessary, the employer cannot require workers to return to a work situation where there is continuing imminent and serious danger to life or health.
- Workers should be informed in an adequate and appropriate manner of the health hazards involved in their work.

**Compensation for workers in case of COVID-19:** Workers dying from COVID-19 contracted in the course of work-related activities are entitled to cash benefits or compensation, as well as to a funeral grant or benefit. COVID-19 and post-traumatic stress disorder, if contracted through occupational exposure, could be considered as occupational diseases. Workers who suffer from these conditions and are incapacitated for work, as a result of work-related activities, they should be

entitled to cash compensation and medical and allied care, as set out in the Employment Injury Benefits Convention, 1964 (No.121)

**Leave entitlements and special working arrangements:** Workers who have contracted COVID-19 should be entitled to paid sick leave or sickness benefits as long as they are incapacitated to work, to compensate for the suspension of earnings they suffer as a consequence.

- Workers who are absent from work for the purpose of quarantine or for undergoing preventive or curative medical care and whose salary is suspended should be granted a (sickness) cash benefit (the Medical Care and Sickness Benefits Recommendation, 1969 (No. 134)
- It should be possible for a worker with family responsibilities in relation to a dependent child – or another member of the worker's immediate family who needs that worker's care or support – to obtain leave of absence in the case of the family member's illness, as recommended in the Workers with Family Responsibilities Recommendation, 1981 (No. 165).

Whenever practicable and appropriate, the special needs of workers, including those arising from family responsibilities, should be taken into account in shift-work arrangements and assignments to night work. Workers who have to care for sick family members should also be provided with help.

- Employers should not *unilaterally* require workers to use their annual holiday in case of a decision that leave is necessary as a precautionary measure to avoid potential exposure: the Holidays with Pay Convention (Revised), 1970 (No.132) provides that the timing of holidays is to be determined by employers *after consultation* with the worker. In fixing the time at which the holiday is to be taken, work requirements and the opportunities for rest and relaxation shall be taken into account.

**Labour Standards and telework arrangements:** Telework is being used as a means to avoid the spread of the virus in many enterprises and public institutions. ILS do not specifically address the issue of telework. However, the Committee of Experts has dealt with telework in the framework of its General Survey on Working Time instruments as well as its most recent General Survey on Employment and Decent Work in a Changing Landscape.

**Protection of migrant workers:** Pursuant to the Migration for Employment Convention (Revised), 1949 (No. 97), Governments shall maintain appropriate medical services for migrant workers. These services are responsible for conducting medical testing, for example for COVID-19, and for ensuring that migrant workers and their families enjoy adequate medical attention and good hygienic conditions at the time of departure, during the journey and upon arrival.

- The Migrant Workers Recommendation, 1975 (No. 151) provides that all appropriate measures should be taken to prevent any special health risks to which migrant workers may be exposed.
- Governments shall maintain an adequate and free service to provide migrant workers with accurate information. These services should advise migrant workers and their families (in a language which they can understand) on health conditions in the place of destination.
- At work, employers should take measures so that migrant workers fully understand instructions, warning and symbols related to safety and health at work, including related to COVID-19.
- Migrant workers who are lawfully in a State's territory and their families should have the same rights as its nationals as regards social security coverage and access to benefits (in cash or in kind, including medical care).
- Migrant workers who have been unlawfully employed or are not lawfully residing in the country, as well as their families, should also enjoy equal treatment in respect of rights arising out of past employment for which they have been affiliated to social security.
- Migrant workers admitted on a permanent basis and the members of their families shall not be returned because the migrant worker is unable to follow his or her occupation by reason of illness contracted subsequent to entry (including COVID-19), unless the person concerned so desires or an international agreement so provides.
- In addition, migrant workers who have resided legally in the territory for the purpose of employment, shall not be regarded as being in irregular situation for the mere fact that they have lost their employment (for instance as a result of the economic impact of the COVID-19). The loss of employment shall not in itself imply the withdrawal of the authorization of residence or work permit. Migrant workers who have lost their employment should be

allowed sufficient time to find alternative employment and the authorization of residence should be extended accordingly.

- Migrant Workers shall enjoy equality of treatment with nationals in respect of guarantees of security of employment, the provision of alternative employment, relief work and retraining.
- More generally, when a migrant worker has been regularly admitted, the Government should, as far as possible, refrain from removing such person or the members of his or her family from its territory on account of his or her lack of means or the state of the employment market.
- **Rights of domestic workers:** Domestic workers and caregivers may be particularly vulnerable to exposure to COVID-19 and often do not have adequate access to health services or social protection. According to t **Domestic Workers Convention, 2011 (No. 189)**, every domestic worker has the right to a safe and healthy working environment and effective measures should be taken, with due regard for the specific characteristics of domestic work, to ensure the OSH of domestic workers. Members giving consideration to medical testing for domestic workers should consider, in accordance with the Domestic Workers Recommendation, 2011 (No. 201).

**The Relevance of C- 102 in times of COVID-19:** Two ideas are behind the Social Security (Minimum Standards) Convention, 1952 (No. 102): C102 is the only international instrument that establishes worldwide-agreed qualitative and quantitative minimum standards for all nine branches of social security. The COVID-19 pandemic, which originated as a public health crisis, has developed into a global social and economic crisis, with severe and potentially lasting impacts on economies, employment and livelihoods. Hundreds of thousands of jobs are now in peril. The crisis will likely inflict a tremendous human cost and in the absence of adequate social protection systems, it will exacerbate poverty and inequality, affecting even more those who are already the vulnerable. Social security systems have proven to be powerful mechanisms to mitigate the negative impact of crises and beyond. Social security protects and empowers people, increases resilience, while at the same time it contributes to boosting economic demand and accelerating recovery. It plays a crucial role in furthering social cohesion and inclusion, equality and social justice, as well as sustainable social and economic development. **C-102 covers all nine branches of social security, which are:**

- medical care;
- sickness benefit;
- unemployment benefit;
- old-age benefit;

- employment injury benefit;
- family benefit;
- maternity benefit;
- invalidity benefit; and
- survivors' benefit.

### **ILO Specific Response to COVID-19:**

ILO – both globally as well as in Pakistan – actively responded to the situation emerging after COVID-19 in Pakistan. A snapshot of specific response activities at global and national levels is presented as follows:

**ILO Global Activities:** (a) Dedicated web-page/information portal on COVID-19 and the World of Work; (b) Policy framework: COVID-19 & the World of Work: Impacts & Responses; (c) Compilation of Country Policy Responses to COVID-19; (d) Guidelines for Employers, and Workers during COVID-19; (e) Guidelines and checklists for Safety & Health in workplaces during COVID-19; (f) Framework for Rapid Assessment of national Social Protection Systems to respond to COVID-19 situation; (g) Weekly ILO Monitor: COVID-19 and the World of Work.

The International Labour Organization (ILO) at the very outset told the World Bank and International Monetary Fund (IMF) that workplace closures have risen so fast that 81% of the global workforce live in countries with mandatory or recommended closures. Addressing the Spring Meetings of the IMF and World Bank, Director General ILO Guy Ryder said priority attention should be given to the impact on smaller enterprises, unprotected workers, and those in the informal economy in response to the COVID-19 pandemic. He said "Workplace closures have increased so rapidly in recent weeks that 81% of the global workforce lives in countries with mandatory or recommended closures". "In upper-middle-income countries, this represents 87% of the workforce and 70% in high-income countries. COVID-19 is now also impacting the developing world where capacities and resources to respond to the crisis are severely constrained." The ILO has also shown that working hours will decline 6.7% in the second quarter of 2020, which is equivalent to the loss of 195 million full-time jobs. The ILO's latest analysis of the catastrophic effect of COVID-19 on working hours and earnings shows that there could be loss of 22 million full time equivalent jobs (based on a 40 hours working week) in Africa and 150 million in Asia-Pacific, where most Commonwealth citizens are found.

**The ILO In Pakistan** has initiated various steps like, (a) Produced preliminary statistical assessments of jobs-disruption and effects of COVID-19 on Labour Market in Pakistan; (b) Supported Planning Commission of Pakistan to develop 'Employment & Enterprises' Chapter in the 'Socio-Economic Impact Assessment of COVID-19 in Pakistan'; (c) Developed and disseminated more than eight (8) infographics for awareness-raising among Employers and Workers during COVID-

19<sup>2</sup>; (d) Wrote a letter to Tripartite Stakeholders suggesting for a Tripartite Dialogue on COVID-19<sup>3</sup>; (e) Developed compilation of all Government notifications and response packages for COVID-19; and (f) Developing a Guide for Protecting Workers in Textile/Garment/ Readymade Factories against COVID-19.

Further, ILO country office provided technical support to the Planning Commission, Government of Pakistan, to develop a Socio-Economic Impact Assessment & Response Plan (SEIA&RP) of COVID-19 in Pakistan. Major findings and policy recommendations of the SEIA&RP were shared in the above 12<sup>th</sup> Federal Tripartite Consultative Committee meeting held on 16<sup>th</sup> April 2020. **The Report has the following important information and Policy recommendations:**

- a) Second to health, the biggest victim of COVID-19 is the labour market due to lockdown situation. Particularly, the workers engaged in the informal economy and having precarious work arrangements are worst hit by this pandemic as they lost jobs and incomes;
- b) Response to COVID-19 should be aligned with ILO Recommendation – Employment and Decent Work for Peace and Resilience, 2017 (No. 205) – which provides guiding principles, policy framework, and strategic approach for dealing with crisis situations.
- c) Out of Pakistan’s 61.7 million workforce, 27.3 million workers are in non-agricultural informal sector.
- d) Based on two scenarios of ‘moderate’ and ‘severe’ impacts, the number of workers expected to be affected by COVID-19 is 12.6 million and 19.1 million respectively. Their wage loss is estimated around PKR 100.39 billion and PKR 145.43 billion.
- e) The most affected groups of workers and enterprises include the following:
  - i. Workers working in the non-agricultural informal sector –unregistered + uncovered by social protection + at risk of job/income disruption due to economic slowdown/ lockdown (paid employees + self-employed);
  - ii. Micro/ Small & Medium Enterprises mainly operating in the informal economy and employing the bulk of unregistered workers are facing severe cash flow problems due to economic slowdown. SMEs have been characterized as being vulnerable in the present scenario.
- f) Among other vulnerable workers are: Migrant Workers (Overseas Pakistanis); Children at work; and Refugees.

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<sup>2</sup> The message has reportedly reached out to 1.5 million workers through Trade Unions and Employers and more than 1000 employers (including SME’s)

<sup>3</sup> The Federal Tripartite Consultative Committee (FTCC) meeting was held on 16<sup>th</sup> April 2020

## **ITUC and global unions statement to IMF & World Bank**

The International Trade Union Confederation (ITUC) and Global Unions issued a statement to the IMF and World Bank and urged them to act on the recommendations for a coordinated international response to the global economic and public health crisis.

### **The main features of the ITUC Statement**

The Spring Meetings should result in a two-part plan, comprised of an issuance of IMF Special Drawing Rights (SDR) and an agreement for coordinated fiscal stimulus that is designed to preserve employment and the real economy. ASDR allocation was a key response to the global financial crisis, and the issuance this time should be consistent with the scope of the crisis and the needs of developing countries.

Developing countries will also need debt relief that goes beyond the limited existing structures. Global Unions call for a twin approach of sweeping debt relief linked with the Sustainable Development Goals and a sovereign debt workout mechanism.

With the social and economic dislocation of the crisis and the disruption of supply chains, public health systems and social protection are the first line of defence. We must leave no one behind in the response, and build universal social protection including floors, and universal health coverage. Income support must be expanded to meet the rising unemployment, with no barriers to access for informal and non-standard workers. This is the moment for necessary ambition, with no time for piecemeal solutions or programmes that exclude the needy with narrow targeting and shift risks onto workers alone.

With regards to IFC response funding, ITUC call for requirements on borrowers to provide paid sick leave for all and childcare support for essential workers. IFC should closely monitor, in dialogue with workers and trade unions, respect for the IFC Performance Standards on occupational health and safety, retrenchment, and collective bargaining.

**ITUC** called on governments to take urgent action to fulfil the promise of the Beijing Declaration and Platform for Action (BDPA), including action to eliminate gender-based violence and harassment in the world of work (8 March 2020). R202 was adopted by ILO constituents in the aftermath of the 2008 financial and economic crisis, expressing the commitment of member States to ensure that all members of society enjoy at least a basic level of social protection throughout their lives. Social protection systems have proven to be powerful anti-crisis measures. Social protection protects and empowers people, increases resilience, while at the

same time it contributes to boosting economic demand and accelerating recovery. It plays a crucial role in furthering social cohesion and inclusion, equality and social justice, as well as sustainable social and economic development. The COVID-19 crisis, which originated as a public health crisis, has also developed into a global social and economic crisis, with severe and potentially lasting impacts on not only economies, employment and trade, but on livelihoods. It calls for the extension of basic social protection to all those in need.

### **Labour legislations in Pakistan and COVID-19**

Labour laws in Pakistan though provincialized, comprise leave benefits. Factories Act has the provisions of 16 days sick leave on half average pay in a year for every worker, Shops and Establishments Ordinance also has the provision of sick leave of 8 days with full wages to every employee in a calendar year which can be accumulated for two years i.e. up to sixteen leaves. If a worker is registered and secured with social security institution, he has access to more paid sick leave as per regulations and is also entitled to free medical treatment. Under Mines Act, every person employed in a mine shall be entitled to sixteen days sick leave in a year on half average wages. In spite of all these provisions it is alarming that only a fraction of the labour force is secured. During 2017 a report by ILO indicated that less than 2 million workers are registered with social security institutions. While legislation requires free protective equipment to the worker dealing with hazardous substances, there has been no Notification from provincial labour departments requiring employers to provide masks and hand sanitizers after the outbreak of COVID-19. It may not be out of place to mention here that the provinces of Sindh and Punjab have also promulgated OSH laws but on ground implementation has not been started due to the absence of rules. There is no unemployment benefit system in Pakistan; hence, those losing their jobs are on their own with ultimate to really become vulnerable.

The employer may under the law, at any time, in the event of fire, catastrophe, breakdown of machinery or stoppage of power supply, **epidemics**, civil commotion or other cause beyond his control, stop any section or sections of the establishment, wholly or partially for any period or periods without Notice. In the event of stoppage during working hours, and if the period of detention exceed one hours, the workmen so detained shall be entitled to receive wages for the whole of the time during which they are detained as a result of stoppage. In the case of piece rate workers, the average daily earning for the previous month shall be taken to be the daily wages. Wherever practicable reasonable Notice shall be given of resumption of normal work. In cases where workman are laid-off on account of failure of plant, a temporary curtailment of production or any stoppage of work for reasons mentioned in clause (1), they shall be paid by the employer an amount

equal to one-half of their daily wages during the first fourteen days of lay-off as compensation. When, however, the workmen have to be laid-off for an indefinite period beyond the above mentioned fourteen days, their services may be terminated after giving them due notice or pay in lieu thereof.

**Lay-off and restart of work:** Management starting work after three months lay-off but did not inform the worker and terminated his services. Pendency of industrial dispute also established and held that this tantamount to dismissal and that the workman continued in service from date of restart and entitled to back payment. Stoppage of work under Standing Order and payment thereunder are not wages. Employees earlier were laid off for 14 days and were paid compensation for same, but there was further delay in resumption of work and employees who were still on roll of employer, could not seek employment elsewhere—Employees were entitled to remuneration till the date when work was resumed by employer.

Notwithstanding anything contained in Standing Order 11, no employer shall [terminate the employment of more than fifty percent of the workmen or] close down the whole of the establishment without prior permission of the Labour court in this behalf, except in the event of fire, catastrophe, stoppage of power supply, epidemics or civil commotion.

### **Social protection:**

Accurate and reliable data on employed labour force is not available in Pakistan. Prime Minister Imran Khan revealed at the start of April that 80 percent of labour force in Pakistan is not registered with any social protection institution and the state has no data for these workers. The Minister for planning, Asad Umar, also voiced similar concerns last week, saying that 76 percent of the workforce in Pakistan is undocumented. The Economic Coordination Committee has approved an allocation of Rs 75 billion for providing support to the daily wage workers who have lost employment due to the pandemic. However, the state has no reliable data on these workers. Hence, it is becoming difficult to identify and support the workers who have been effected by Covid-19 pandemic. The estimated labour force in Pakistan is 65.50 million. A majority of the labour force comes from the rural areas (65.51 percent or 42.91 million). Women constitute only 22.53 percent (14.76 million) of the overall labour force. Those employed (61.71 million) fall broadly into agriculture (38.5 percent) and non-agriculture (61.5 percent) sectors. The non-agriculture sector is further categorised into formal and informal sectors engaging 28 percent (10.63 million) and 72 percent (27.32 million) of the workers, respectively. The agricultural sector thus continues to be the dominant employer. **The Informal Sector:** Informal sector is an enterprise-based concept (whether certain enterprises come under legal jurisdiction), however informal employment is a job-based concept and covers also those who are working in the so-called formal sector but have informal jobs. It includes all those formal sector employees who are not

registered with the social protection schemes and have no access to various employment security benefits, *i.e.*, advance notice, severance pay/gratuity etc.

**The major social protection laws currently in place in Pakistan are:**

- i. The Employees Old-Age Benefits Act, 1976;
- ii. The Provincial Employees Social Security Ordinance, 1965
- iii. Workers Welfare Fund, 1971.

**EOBI:** Employees Old-Age Benefits Institutions (EOBI) is administering the Employees Old-Age Benefits Act, 1976. The Institution is taking into account the threshold of five persons, as set under the EOBI law, it is to recalculate the strength of formal sector. The number of workers in the sector increased from 0.63 million (28 percent) to 12.45 million (32.8 percent). However, this also shows that a large part (67 percent or 25.5 million) of the non-agricultural labour force is still engaged in the informal sector where social protection legislation is usually not applicable. Employees Old Age Benefits Institution (EOBI) has only 2.65 million active contributors in 2020 although it has registered more than 8 million workers since its inception in 1976; Considering the public sector (4.47 million) and private sector workers registered with the EOBI who are active contributors (2.65 million in 2020), the protected workforce is only 7.12 million (11 percent of 65.5 million). The remaining 58 million (89 percent) are toiling in unprotected employment without any access to social protection.

Old-Age Benefits Institution provides old age pension, invalid pension, survivor's pension and old age cash grant.

**Provincial Employees' Social Security:** These are provincial level institutions responsible for enforcement of the Provincial Employees Social Security Ordinance, 1965. Around 2 million workers are registered with the social security institutions. The unprotected sector (a mix of agriculture and informal sector) is composed of 51 million workers.). Provincial employees' social security institutions, established under 1965 legislation, provide healthcare services and cash benefits in the event of injury, disablement, sickness, death, maternity, and death of husband (*iddat*) Employees.

**Workers' Welfare Fund**, established under Workers Welfare Fund Ordinance, 1971 also provides cash benefits, such as marriage grant, death grant, educational scholarships as well as support in kind such as housing facilities and educational facilities to the registered industrial workers.

**Despite the existence of all these institutions, the civilian protected workforce with social protection cover is not more than 11 percent.** A large majority of workers in the formal sector do not receive statutory appointment letters/employment contracts from their employers on their appointment. This prevents workers from claiming and proving their identity as workers and get access to various workplace rights including registration with labour welfare schemes like social security (PESSIs), EOBI, and Workers' Welfare Fund.

The current provision merely requires an employer to provide an appointment letter to a worker on his/her appointment, transfer or promotion without setting any limit on the number of days. One way would be to set a limit within which the contract must be provided to the worker. The limit cannot be greater than one wage period, *i.e.*, maximum one month. If a worker is not given his contract within the period, his employment should be presumed as permanent employment.

Currently, workers are registered with the social protection institutions by the employer. If workers are allowed to self-register, it will make the registration process speedier and a majority of workers will be covered. Employees' Old Age Benefits Act already allows insured persons to communicate their particulars directly to the Institutions. Similar provisions can be added to the social security legislation as well.

### **Federal Government Initiatives and Responsibilities**

On 1<sup>st</sup> May 2020, the Government of Pakistan (Brother Zulfiqar Bukhari) wrote a letter to the Director General of ILO apprising him of the impact of COVID-19 on Pakistan's labour force and requested to convene a global online meeting to discuss these matters and identify solutions collectively.

#### **Salient Features of letter by Zulfiqar Bukhari DG ILO**

To convene a virtual session of its member states to evolve a comprehensive strategy for betterment of the labourer community in the post-corona virus world. The need for initiating a global dialogue to develop a way forward which could help minimize impact of the global pandemic on the working class. He said it was not his country alone where the coronavirus posed a great challenge to the labourers. All the developing economies in the region and world faced the similar challenges. Zulfikar Bukhari passionately called for collective efforts to resolve the issue of labourers, who had been bearing the brunt of global pandemic worldwide. He said: "This is an emergency situation for governments around the world, and on the occasion of labour day 2020, it is most important that there is start of a global dialogue leading to a global recovery." "To enable a strategic dialogue to discuss 'THE FUTURE OF WORK IN A POST-COVID WORLD' for all workers specially those in the developing world, he suggested to call a special virtual session with representation from all ILO member countries, agencies, enterprises, organizations, groups/individuals to establish a way forward in a world emerging from a global crisis". He also informed the Director General about the major concerns of Pakistan regarding the Pakistani labourers in Pakistan and abroad. He pointed out that a quarter of population in Pakistan lived below the poverty line and another portion of the society was prone to fall into the extreme poverty due to the virus impacts on economy. "This alone

leads us far behind from achieving the ILO 2030 agenda,” he warned. He said 7 out of every 10 workers were not part of the registered workforce in the country which might cause 74 percent rise in relative poverty rates of the informal workers. “With 6.75% of Pakistan’s GDP coming from remittances of migrant workers, my third cause of concern is also the Pakistani workforce facing joblessness & salary cuts in foreign lands,” he added about the initiatives taken by his government to protect downtrodden segments of the society and the Small and Medium Enterprises (SMEs) from the economic effects of the coronavirus. “Pakistan’s PKR 1.2 trillion stimulus package is not common for economies of our size. A major part of this package is tax relief, financial assistance to 3.5 million SMEs & the facilitation of two of our biggest sectors of employment: construction & agriculture.”

**The PWF has endorsed the provisions of this above letter and has proposed a way forward in the suggestive Part of this paper.**

### **Special Package:**

The Economic Coordination Committee (ECC) of the Cabinet approved the disbursement of Rs. 75 billion among 6.2 million daily-wage earners, who were now out of work because of the partial lockdown imposed in the country to stem the spread of the coronavirus pandemic. This amount will be released from PM’s Relief Package of Rs 200 billion. Each deserving person will receive Rs.12,000 — 31.4% or Rs. 5,500 less than the minimum per month wage for a labourer. This compensation is said to be Rs. 3000 per person per month.

The disbursement is taking place using the ‘Mazdoor Ka Ehsaas Programme’, one of the schemes launched under the Ehsaas initiative. For this purpose, a fourth category in addition to the already existing three categories in the ‘Ehsaas Kifalat Programme’ will be created. The standard filters and checks of Ehsaas will be applied for the identification of beneficiaries. The ‘Mazdoor Ka Ehsaas Programme’ is aimed at extending the much-needed support to low-income labourer/daily-wage earners including loaders, cleaning staff, contractual employees, piece-rate workers, street vendors, construction workers, painters, welders, mechanics, carpenters, domestic help, drivers, etc. The ECC informed that after the usual filters and checks, up to six million low-income people were expected to benefit under the planned fourth category in addition to the 12 million labourers already targeted under category one to three of Kifalat.

There were concerns that running two separate programmes would lead to potential overlaps which were difficult to remove in the existing situation and could lead to unequal distribution. The ECC also approved giving \$188 million

World Bank loan as grant to the climate change ministry. However, there are serious questions of misuse of a significant portion of these funds as the climate change ministry wants to spend the money on the youth force to protect trees. Pakistan has secured the loan from the WB for Pakistan Hydro met and Ecosystem Restoration Services Project. The WB has recently revised objectives of the loan to strengthen Pakistan's public sector delivery of reliable and timely hydro-meteorological services and enhance resilience to climate and health shock. It has allocated \$60 million for procurement of radars and \$128 million for resilience against climate and health shocks.

As mentioned above, the Federal Government of Pakistan has announced a PKR900 billion (USD 5.6 billion) economic and social protection package, including PKR 200 billion (\$1.25 billion) for low-income groups, particularly labourers, apart from significant reduction in petroleum prices. In addition, PKR 100 billion are allocated for SMEs and Agriculture. The State Bank of Pakistan, has revised interest rate by reducing to 150 points and offered concessional loans for Industries/Employers to pay wages to their workers. However, estimates of data about workers as well as the absence of a detailed list of workers in formal as well as informal economy is a great challenge. Prime Minister of Pakistan has announced a relief package that focuses on labourers and daily wagers. Experts, however, are of the view that the amount is meager keeping in view the number of daily wagers in the country.

Informal sector is not getting any wages and we are not sure how this relief package will or has reached to the right ones during lockdown. Apart from daily wagers, unregistered small businesses are also severely impacting during lockdown.

Currently, the government is relying on two datasets available for the distribution of this package. Database of 2010 has 27 million poor people across Pakistan at a cut off 16.17% and below. Another data set is based on Census of 2017. Data repository is updated, and payments has started to release instead of giving them food items.

### **Steps by the Provinces:**

Apart from Federal Government, the Provincial Governments are also considering different measures to support industries and ensure protection of workers and their wages. The Governments of Balochistan, Sindh and KPK have issued notifications to the Employers to continue paying wages to their workers – however, employers are feeling uneasy in this regard – particularly due to uncertain situation. It is yet to be seen how effective these notifications are going to be.

The Government of Punjab announced relief package for poor and vulnerable segments of the society, including workers in addition to the package announced by the Federal government. The Government of Punjab has launched a Mobile Application which aims at reaching out to 2.5 million people of Punjab who have been worst affected by COVID-19 lockdown. A total budget of 10 billion rupees has been allocated, and PKR 4,000 per month will be given for the next four months.

The KP Government on 23<sup>rd</sup> March 2020 announced that the period from 24<sup>th</sup> March to 28<sup>th</sup> March should be public holidays. The measure was then extended from 29<sup>th</sup> March to 20<sup>th</sup> April 2020.

In Baluchistan, the Chief Minister has stated that Provincial Government would announce tax exemption for the industries of Baluchistan to continue production, while also referring to the difficulties of the daily-wage workers becoming jobless with no resources to feed their families. Establishment of a ration distribution system is among the proposed measures. The Department of Labour (DoL) has issued a notification on 22<sup>nd</sup> March 2020 to ensure payment of the minimum wages during this crisis period, whereas, another notification was issued by Government of Baluchistan on 30<sup>th</sup> March to establish District based Food Security Committee to collect the data of eligible beneficiaries and facilitate in delivering the food Package.

Government of Sindh has transferred an amount of Rs. 50 million and 300 million respectively from SESSI and WFF, purely worker's money, for the relief package of the victims of the crises, however, no support in kind or cash has been extended to the workers residing in 100 labour colonies in Sindh; The provincial Governing bodies of the WWF and SESSI are non-representative i.e. those are not represented by the most representative workers organizations and thus no voice from among the members of the board or governing body has been heard against on such anti-labour decisions. All three workers organization at the national level i.e. PWF, MLF and NLF has serious objection on Government of Sindh attitude towards any decision on the matters of workers which is against ILO Convention 144 on Tripartite dialogue. Ten thousand Mines workers in Lakra Coal Field are completely deprived to get any benefit awarded by Sind provincial Government. The Sind Government only sent a rashan for hundred workers out of ten thousand workers which has a serious discrimination created in among workers of the Mines Sectors. Similar situation it prevails for rest of other workforce of the province and Government claim that it has distributed rashan to four hundred thousand families is taken by workers as serious joke to them who live also in that province of Pakistan.

**PWF's response to social protection laws & Government's Initiatives is in the Recommendations (at the end) Part of this paper.**

**Initiative by Pakistan Workers Federation (PWF)**

**Soon after the crisis the PWF together with Employers Federation of Pakistan (EFP) jointly issued the Statement, the salient features are as under:-**

The Employers Federation of Pakistan (EFP) and Pakistan Workers Federation (PWF) have taken cognizance of the challenging situation created by COVID-19 scenario and have decided to adopt the following declaration as a guideline for the employers and workers in order to lead them through the turbulent times. The declaration proposed as under:

- 1) For the last two months COVID-19 has turned into the biggest human tragedy of the 21st century by travelling into 196 countries of the world, effecting millions of people bringing airline, hospitality, services, manufacturing and other sectors to a standstill, causing irreparable damage to economic and development activities and creating abominable issues of social protection globally. Pakistan is among one of the most affected countries by the outbreak of COVID-19.
- 2) In order to check the onslaught of COVID-19, the Provincial Governments in Sindh, Punjab, Balochistan and those of AJK and GB have been forced to announce complete lockdown. This situation has resulted in closure of factories and industries in the private and public sector and massive unemployment particularly in case of temporary, part-time and daily wage workers in the formal and informal sector.
- 3) In this alarming situation the EFP and PWF as the most representative organization of employers and workers in Pakistan have decided to extend their full cooperation to the Federal and Provincial Governments in executing their action plan for combating the menace of COVID-19. While doing so, we have resolved to work jointly with the employers and business community on one hand and the workers and trade unions on the other to address the emerging issues arising out of this scenario in an amicable manner and through social dialogue.
- 3) The Prime Minister of Pakistan has announced a special economic package for providing economic relief to the poor and down trodden people of Pakistan including the low-income workers.
- 4) EFP has requested the employers and business community of Pakistan to realize that they are passing through an unusual economic and social challenge which needs to be met with extreme passion, caution and restraint and understating. They not only need to bear economic consequences of this challenging time but also have to show their genuine concern for social protection and Safety Net of their workers by going beyond law and keeping humanitarian consideration in view while dealing with their workers. EFP has also issued specific guidance to the employers

for taking all precautionary and safety measures to ensure the health and safety of their workers particularly in essential operations which have been allowed to work during the lockdown to ensure that basic necessities of people are met.

5) The PWF has also taken measures to step up awareness program for workers so that they fully cooperate with the employers and governments in taking precautionary measures and using all protective instructions necessary for their health and safety at the workplace. In case of workers who are required to stay at home because of the lockdown, they have been instructed to completely limit their movements so as to ensure that the objective of the lockdown is met and outbreak of COVID-19 may be significantly reduced and controlled.

6) The EFP and PWF also call upon the Federal and Provincial Governments to constitute a special tripartite taskforce in each province for consultations on collective action and assistance in execution of the plans for economic and social recovery once the pandemic is controlled. Since it will require long and short-term measures to mitigate the long-lasting consequences of the current scenario, it is imperative that such a task force initiates a social dialogue at the bilateral and tripartite levels. The task force should be given the assignment to frame its recommendations which may be placed for consideration and adoption as a national recovery plan at a National Labor Conference with Federal and Provincial participation immediately after Ramadan so that it can be made a part of the Federal and Provincial budgets.

**Further to above joint statement with Employers Federation of Pakistan (EFP), the Pakistan Workers Federation (PWF) initiatives are as under:**

- PWF and affiliates organizations prepared and adapted several IEC materials, including videos, and is raising awareness among its members and non-members as well (20th march to date);
- PWF is coordinating with other TU's and federations to prepare a consolidated response and to be able to reach out to the workers as much as possible.
- PWF organized a series of press conferences (also with other TU's/federations) to raise concerns about the issues and keep all stakeholders updated on the ground realities and situation of Job loss.

PWF is planning to launch a Helpline on Corona Virus to help support workers losing jobs and are short of Grocery.

PWF is planning to work on website/information page and provision of medical supplies to workers (essential service). These include both formal and informal economy.

All the offices of PWF are Open with One person coming physically to the office and rest are working from home to extend the support in crisis times.

The PWF Baluchistan Office is in direct liaison with the government and advocated for financial support for the daily wage workers. The government has announced to pay 15000 to all the daily wage workers who have been unemployed in his crisis. A form is made for this purpose. The workers will fill out that form and will submit it to the provincial labour department.

**PWF together with its Provincial and Regional branches has called on the Government of Pakistan to take the following tangible measures:**

- Wherever possible, instead of layoffs, repurpose textile manufacturing away from luxury and into essential textile production to fulfill the needs of this crisis, such as the production of masks and other protective equipment, which can also be exported if supply exceeds local demand. These industrial units must maintain full safety standards for the workers as demanded by the situation.
- That all textile and garment industry workers in all sizes of industry and including small and medium enterprises, regardless of employment status and whether their names are on the register at the provincial Labour Departments or not, be placed on leave with full pay rather than be fired.
- That all workers who are sent home be paid their full daily/monthly wages until the re-opening of the industrial units.
- That business that refuse to comply with paying wages be strictly penalized.
- That the loans provided by IFIs for this crisis be interest-free since the funds are to be used for workers' welfare. That there be no more future borrowing from IFIs but reliance on national resources. That unproductive expenditure be cut, and funds diverted to universal income support.

**In order to implement these proposals the PWF made an interaction:**

- That the trade union representative federations, the Federal and Provincial Ministries of Labour and its Department, immediately call a tripartite labour conference and form a Textile Sector Monitoring Body.
- That the Textile Sector Monitoring Body has the dual purpose of re-purposing of factories and distribution of full wages to all current textile workers.
- PWF distributed masks to informal workers and presently is distributing to around sixteen hundred workers families the food bags (containing essential food items) in among under privilege domestic and other informal workers.
- The PWF position paper released earlier on 15<sup>th</sup> April has become part of a writ petition filed by MLF at Lahore High Court with the prayers that no formal sector worker is removed during pandemic of COVID-19.

**(A detail initiative of PWF reported by its regional branches / unions as until 10<sup>th</sup> April, 2020 is separately attached with this position paper)**

## **RECOMMENDATIONS**

### **Global Perspective:**

Greater attention should be paid to the strengthening of employment policies to support enterprises and workers, along with strong labour market institutions and comprehensive and well-resourced social protection systems, including care policies and infrastructure, that kick in automatically and in an inclusive way as crises occur.

International Labour Standards (detailed at page 13) need to be the guiding framework for interventions at all steps of the process. ILO Recommendation No. 204 concerning the Transition from the Informal to the Formal Economy and Recommendation No. 205 concerning Employment and Decent Work for Peace and Resilience are particularly relevant for small enterprises and the informal economy. These standards have been approved at the global level and in a tripartite manner, therefore providing consensus-based solutions. As we look to recovery and building Resilience against future crisis events no one can be left behind this time. Massive investment in public health and in care is vital to ensure that all have access and that full respect for the rights of all workers is ensured. Thus re-launching of the global economy must ensure robust public services with three other critical objectives:

- **Jobs:** Millions of jobs are being destroyed. Full employment must be the goal, with decent work for all, healthy and safe conditions, an end to precarious work and formalization of informal work.
- **Incomes:** The wage share of the global economy has been falling for decades and risks plummeting with this crisis. Minimum living wages must be in place everywhere, the right to collective bargaining has to be ensured for all workers and the gender pay gap must be closed.
- **Social Protection:** Billions of people have been left without social protection and are at grave risk from the devastating health and the economic effects of this crisis. Now is the time for global cooperation to fund social protection for all. The world cannot turn its back on those most in need now or in reconstruction of an inclusive and resilient future.

**On the above very grounds designed by ILO, the International Trade Unions Confederation (ITUC) is calling for a New Social Contract - the ILO Centenary Declaration is a solid foundation for this.**

Workers need a new social contract and people and the planet must be the foundations for the future. Without social dialogue, workers will not dissipate the age of anger driven by inequality and set to be multiplied by this crisis (COVID-19) that has exposed the fragility of an unequal world. All countries must work together to overcome the initial COVID-19 waves and to prepare for the future. Planning for

and investing in a more equal world where workers can build jobs on a living planet is the only pathway. Multilateralism is in crisis. The ambition of global leaders after two world wars and the Great Depression of last century (1930) was a social floor with a global set of rules and international institutions to ensure development. The corporate greed of hyper globalization since the 1980s has distorted the vision of those leaders and their legacy. The impacts of this crisis have brutally exposed the failings of the model of globalization, which has been imposed on working women and men. Public health systems have been debilitated by austerity and the erosion of workers' rights has left untold millions of workers exposed. Women, migrant workers, ethnic minorities and others who face discrimination are bearing a particularly heavy burden. This must change. Multilateralism must be reformed to ensure that people and the planet come first, that democratic rights sit at the heart of a new social contract and that responsible business conduct is assured by requiring a social license to operate with mandated due diligence. We must change the rules to build a just future for all. **Moreover, Governments under ILO Standards, should, as quickly as possible:**

- seek to ensure basic income security, in particular for persons whose jobs or livelihoods have been disrupted by the crisis;
- develop, restore or enhance comprehensive social security schemes and other social protection mechanisms, taking into account national legislation and international agreements; and
- seek to ensure effective access to essential health care and other basic social services, in particular for population groups and individuals who have been made particularly vulnerable by the crisis.

At the same time, respect for key provisions of ILS relating to OSH, social security, employment, non-discrimination, working arrangements and protection of specific categories of workers also contribute to maintaining decent work during the COVID-19 pandemic.

Looking at a broader canvas, the COVID-19 has also reinvigorated the political and pragmatic imperative for the Sustainable Development Goals and the UN Agenda 2030. It has confirmed that all the SDGs are important to fast-track progress for people and planet, but COVID-19 is particularly consequential for some:

- **Goal 3:** Good health and wellbeing, including investments in quality and universal access to health care.
- **Goal 6:** Clean water and sanitation for all.
- **Goal 4:** Quality and inclusive public education with adequate infrastructure including retraining, reskilling and life-long learning.

- **Goal 8:** Decent work and sustainable economic growth including rights at work, adequate occupational health measures, strong and inclusive social dialogue and social protection systems, decent wages, etc.

The COVID-19 pandemic has re-emphasized the importance of a multilateral approach to sustainable development, as well as the importance of combining social, economic and environmental priorities. It has also confirmed the reality of the interconnectedness of different national economies – regardless of whether niche political ideologies choose to recognize this – and that uncoordinated national actions will not be effective in minimizing the virus’ impact or eradicating it all together. The most immediate and severe components of this crisis may end soon, but its consequences, for people, economies and our planet, will be with us for a long time. There will be a need for a strategic rebuilding of social and economic systems, including restoring the confidence of citizens, especially the most vulnerable, in those structures ability to deliver. In other words, “to build better back”. However, this is only likely to be possible with a multilateral approach, based on the principles of social justice and solidarity that leave no one behind!

The International Financial Institutions and their new role under pandemic has to be re-invigorated.

The Spring Meetings should result in a two-part plan, comprised of an issuance of IMF Special Drawing Rights (SDR) and an agreement for coordinated fiscal stimulus that is designed to preserve employment and the real economy. ASDR allocation was a key response to the global financial crisis, and the issuance this time should be consistent with the scope of the crisis and the needs of developing countries. Developing countries will also need debt relief that goes beyond the limited existing structures. Global Unions call for a twin approach of sweeping debt relief linked with the Sustainable Development Goals and a sovereign debt workout mechanism. With the social and economic dislocation of the crisis and the disruption of supply chains, public health systems and social protection are the first line of defence. We must leave no one behind in the response, and build universal social protection including floors, and universal health coverage. Income support must be expanded to meet the rising unemployment, with no barriers to access for informal and non-standard workers. This is the moment for necessary ambition, with no time for piecemeal solutions or programmes that exclude the needy with narrow targeting and shift risks onto workers alone. With regards to IFC (World Bank) response funding, for requirements on borrowers to provide paid sick leave for all and childcare support for essential workers. IFC should closely monitor, in dialogue with workers and trade unions, respect for the IFC Performance Standards on occupational health and safety, retrenchment, Industrial Relations and collective bargaining.

### **South Asian Prospective:**

Workers organizations endorse the views of the South Asian Trade Unions Council (SARTUC) and call upon governments to:

- Promote social dialogue to address social and economic health impacts in the face of COVID-19 in both an open and transparent way;
- Strengthen occupational health and safety measures for all workers, especially those working on the front line dealing with hazards, and ensure the provision of sufficient and adequate protective equipment;
- Upgrade social protection programmes by ensuring health care services, paid sick leave, maternity/parental leave, etc. The most vulnerable groups of workers such as women, youth, older workers, migrant workers, workers in informal sectors should be paid more attention to;
- Increase cooperation and engagement among countries to fight COVID-19 collectively. In particular, supports for countries with less effective healthcare systems are essential in stopping the global pandemic;
- Coordinate with receiving countries through diplomatic missions, local government, support groups;
- Ensure migrant workers and their families are well-protected from the virus and any economic hardship and, if necessary, to return to their home country in cooperation between sending and destination countries;
- Grasp the Domestic Workers' Convention, Migrant Workers' convention, ILO Convention No. 97 and 143;
- Ensure that the returnee migrant workers from the infected countries can access health care including testing and treatments for COVID-19;
- Develop a concrete actions, country wise, at South Asia level and how can everyone move forward especially on the situation on international migration;
- Consult with major Trade Unions and Civil Societies who work on the welfare of the workers for better decisions and involving the TUs, CS in regard of the work taken for the benefit of the workers.

The SAARC Trade Unions Forum has further strongly urged employers to:

- Bargain with trade unions regarding the impact of COVID-19 on the workplace to protect the health and safety of all workers and their family members, as well as to mitigate the negative impacts of the virus while avoiding any lay-offs;
- Work together with trade unions to ensure that governments' measures are implemented for all workers;
- Ensure the non-stigmatisation, non-discrimination or non-disadvantaged against any worker under the pretext of dealing with the virus;

- Develop a systematic pay system; sick leave, wage support and income particularly for freelancers, self-employed and working in gig economy;

**Suggestions on Migrant Workers:** The lack of accountability for the support of migrant workers is creating conflict among the stakeholders themselves and the workers are on the receiving end of the worst situations that might cause a deep impact on their overall mental and physical health. The concerned authorities must step up for the protection, rehabilitation and reintegration of the migrant workers. Many migrants (both internal and external) are currently stranded in transit or countries of destinations as government-imposed travel bans and close borders, while many others are stranded in countries of origin, awaiting deployment, not knowing if they still have the jobs to which they were to be deployed. So, while moving ahead on the path fraught with difficulties, it is time for us to extend our solidarity and prepare ourselves for the world that has become fragile and vulnerable with increasing precarious jobs and income inequality. For migrant workers who are in irregular status or returning home, strong collaboration with the country of origin on amnesties, regularization, information exchange and processes of return can ensure protections and smoother repatriation (including processing documents), and support for skills recognition and other measures to facilitate effective reintegration into labour markets. For example, bilateral (and sub-regional) cooperation can facilitate economic support to migrants who have lost their jobs or help prepare them for re-entry and reintegration into home labour markets. Countries of origin needs to enhance unilateral measures or consular services in countries of destination. With establishing of dedicated helplines, website, focal points in line ministries and information exchange that target the specific needs of their nationals working broad, including information services, legal assistance and humanitarian support to stranded workers to provide emergency services to their migrant workers.

**The workers organization therefore calls upon the governments of destination countries and employers that:**

- The government should provide access to health care including testing and treatment for COVID-19. Migrants, regardless of their status, should have access to free screening and treatment for COVID-19 without fear of arrest and detention;
- With many businesses closing down as a result of crisis, the government should ensure that migrants who have lost their jobs receive their entitled salaries, wages, and benefits before they are sent home;
- With many countries choosing to close their borders, the governments should stop the immediate deportation of migrant workers;
- The government should provide migrants with access to correct information in a timely manner concerning measures to address COVID-19. Information should be provided in accessible languages to the migrant communities.;
- Collaborate and consult with the trade unions regarding the impact of COVID-19 on the workplace to protect the health and safety of all workers as well as to mitigate the negative impacts of the virus while avoiding any lay-offs;

- Ensure that migrants who are infected and have recovered from COVID-19 are provided with health clearance before repatriation;
- Strengthen occupational health and safety measures for those currently working migrants amid coronavirus outbreak;
- Ensure the non-stigmatization, non-discrimination or marginalization against any worker under the pretext of dealing with the virus; and
- Work together with trade unions to ensure that governments' measures are implemented for all workers.
- Promote social dialogue to address social and economic health impacts in the face of COVID-19 in both an open and transparent way;
- Communicate and coordinate with the respective embassies to carry out diplomatic missions and talks in order to protect their citizens in the destination countries;
- Facilitate the repatriation process for those who are most vulnerable particularly those who have lost their jobs, food and shelter and seriously ill;
- Ensure that migrants who have lost their jobs are fully compensated and able to access their benefits before returning home;
- Prepare accordingly by extending numbers of quarantine centres and ensure the returnee migrant workers from infected countries are able to access health care including testing and treatments for COVID-19;
- The returnees should be provided with the business loans and subsidize the interest of loans for small start-ups and also explore other opportunities of employment.
- Upgrade social protection programmes by ensuring health care services, paid sick leave, maternity/parental leave, etc. The most vulnerable groups of workers such as women, youth, older workers, migrant workers, workers in informal sectors should be paid more attention to;
- Increase cooperation and engagement among countries to fight COVID-19 collectively. In particular, supports for countries with less effective healthcare systems are essential in stopping the global pandemic;
- Ensure migrant workers and their families are well-protected from the virus and any economic hardship and, if necessary, to return to their home country in cooperation between sending and destination countries; and
- Ensure that the returnee migrant workers from the infected countries can access health care including testing and treatments for COVID-19.
- Pakistan Government has put up a good labour diplomacy and therefore, the number of return-migrants was contained to only 22,000. However, these numbers are likely increase in coming few months. There is a need to put in place a system to protect migrant workers (Overseas Pakistanis) in their countries-of-destinations (CoD) and also support returning migrants for their skills updating and reintegration in local market.

### **Global stand of workers Groups on COVID-19:**

On 1 May 2020, the ILO Workers' Group stands in solidarity with all workers around the world impacted by the Covid-19 crisis. **Following are the suggestions of the Workers Group of ILO which are also fully endorsed by the Workers organization:**

- The protection of the health and safety of workers to be recognized as a fundamental right.
- The recognition of Covid-19 as an occupational disease.
- The need for the ILO to adopt a new convention on protection against biological hazards.
- The protection of frontline and other workers against all Covid-19 risks to be addressed as a matter of urgency. All frontline workers must have access to the necessary personal protective equipment (PPE). Front-line workers must be assured of proper care in the event they themselves become sick. Should they pass away as a consequence of the infection, their families should be fairly compensated.
- A global and coordinated effort to achieve universal social protection. The social and economic impact on workers and their families faced with lockdown measures, due to loss of jobs and income, must be mitigated. Measures should include wage subsidies and extension of unemployment benefits and paid sick leave to all workers, including casual workers, the self-employed, platform workers and workers in the informal economy including migrant workers. Cooperation at global level is needed to fund social protection for all and help the poorest nations to respond to the pandemic.
- Strengthening of quality public services and the public sector, with massive investments to ensure universal access to healthcare, water, sanitation, food and shelter, and with guarantees that these systems are adequately staffed and workers' rights respected. Wages and working conditions in health care and the wider care economy must be improved, addressing persistent gender and other inequalities.
- Social dialogue, with effective respect for freedom of association and collective bargaining, to be adopted and developed at all levels as a key means to meet the health, social and economic challenges posed by the pandemic, both during the crisis and in the period of recovery.
- The vulnerability of the global model of trade and production to be recognized and addressed. The crisis has exposed the enormous risks to labour rights in unregulated global supply chains. The ILO must urgently tackle the challenges to decent work in global supply chains by taking normative action.
- The need for all countries to place employment and decent work at the center of macro-economic policies alongside emergency debt relief to enable developing countries to combat the Covid-19 pandemic and facilitate a sustainable recovery from the crisis.
- The rapid increase in teleworking and use of new technologies, accelerated by the Covid-19 crisis, must be accompanied by proper regulation and protection including at ILO level to avoid deterioration of working conditions.

The ILO must play a key role in the multilateral system to ensure that social justice, social dialogue, decent jobs and universal and lasting peace are at the heart of the responses to the crisis and to the recovery from it.

## **National Pakistan Perspective:**

### **At the National level workers organization advocates following policy actions by the Government of Pakistan to facilitate industries and workers particularly, daily wager, etc.**

- a) Response to COVID-19 should be aligned with ILO Recommendation – Employment and Decent Work for Peace and Resilience, 2017 (No. 205) – which provides guiding principles, policy framework, and strategic approach for dealing with crisis situations.
- b) Ensure that every worker, irrespective of nature of contract and wage payment status, gets an employment contract and is registered with social insurance institutions. To ensure compliance, raise the penalties;
- c) The registration must be worker’s centric rather than employer centric. Allow workers to register themselves with the social insurance institutions. Once the worker is registered, employer must be registered within a month (in such cases where the establishment is not registered or where the worker was not registered by the employer with the social insurance institution);
- d) Employers’ contribution must also be raised to a level comparable with other countries in the region. Employers currently contribute only 11 percent to both the EOBI and the PESSIs. In neighboring countries, the ratio is more than 20 percent.
- e) It is importantly suggested in linking registration with social insurance institutions through CNIC (B form) and covering every worker irrespective of his work status (permanent, temporary, contract, etc.). (FBR and BISP/Ehsaas are already using CNIC data from NADRA for collecting taxes and giving cash transfers respectively).
- f) Labour legislation allows adolescents (above 14 years/15 years in the Punjab but under 18 years) to engage in employment however they are not registered with any social insurance institution until they have a CNIC (18 years of age). Interestingly, their employment is based on B form which already has their CNIC number. They must be registered with social insurance institutions on the basis of this B form and their contributions should be paid. Apprentices are an ideal example in this regard.
- g) By law, formal sector workers in Pakistan are already covered for 7 of the 9 benefits, proposed under ILO Convention 102. Those missing are unemployment benefits and family and child benefits. The Sustainable Development Goals (SDGs) adopted in 2015 require the signatory countries to “implement nationally appropriate **social protection** systems for all, including floors” for reducing and preventing poverty (SDG 1.3). Covid-19 can be used as a catalyst to provide social protection to nearly 90 percent of the unprotected labour force in Pakistan. So, there is the dire need to work on that target as the time is passing and we may not attain it like MDGS.

**In Pakistan, social protection laws and workers stance and View point is as under:-**

Sr. No.	Social Protection Laws	Workers Stance & Recommendations
1	<b>Provincial Employees' Social Security Ordinance</b>	
	<p>It is applicable on five or more workers on all types of establishments. The benefits under this scheme is health services (medical care), cash support (injury disablement, sickness, death, maternity, iddat). The beneficiaries are private formal sector registered employees. It is contributed only by employer at the rate of 6% of applicable wage. No contribution has been made by any of the Provincial Governments in the social security fund.</p>	<p>ILO estimates that around 1.8 million workers are registered with the Social Security Institution. The establishments which has five or more workers are if taken into account and the law is forcefully enforced then the total number of workers Registered should have been above ten millions. In the presence circumstances of COVID-19 the enforcement of the law is required to be the need of the hours. Further workers of other provinces and their families if are not at their place of work needs that medical treatment in a special cases be provided to a registered worker anywhere from the Social Security Hospitals during pandemic or after words.</p>
2	<b>Employees Old-Age Benefits Institution (EOBI)</b>	
	<p>Employees' Old-Age Benefits Act was promulgated in 1976 to provide subsistence pension to Pakistani workers, Employee/insured persons of the private sector who retires after completing a minimum number of year of insurable employment. It is applicable on five or more workers on all types of establishments. The benefits under this scheme is Old-Age Pension, Invalidity Pension, Survivor's pension Old-Age cash grant. The beneficiaries are the private formal sector registered employees. It is contributed by employer on 5% of applicable wage and Workers at 1%. The</p>	<p>Employees' Old-Age Benefits Institution (EOBI) had only 4.3 million active contribution in 2017. EOBI has registered 8.223 million workers since its inception. In order to meet the major challenge ahead, it needs reformations in the EOBI Act, collection of contribution at the minimum wage fixed by the Government and its decision to retain at the Federal level. Further the pension amount as is progressing well needs to bring it at least to a minimum wage level of a worker after retirement. The existing amount of monthly pension is not enough for a retired worker to</p>

	Government Contribution is negligible.	meet his both ends. For the time being all EOBI pensioners may also be given monthly grant of Rs. 3000 under Prime Minister Relief package withdrawn of current increase in pension from January 2020 may immediately be restored.
3	<b>Workers Welfare Fund Ordinance, 1971</b>	
	It is applicable on the companies having at least five hundred thousand income during the year. The benefits under this scheme are Cash support (marriage grant, educational scholarships) In-kind support Education facilities. The beneficiaries are private formal sector registered establishment. It is contributed by employer on 2% of the industrial Sector profit. The second contribution is from companies profit over certain limit not distributed after distribution of 5% of total Profit among workers. However, the Government Contribution is negligible.	Federal Ministry of Finance and other treasuries are holding above of Rs. 160 billions of fund. This fund can be diverted to the efforts against COVID-19 in a way for cash grants to un-employed registered workers particularly those in the Mines sector.
4	<b>Workers Children's Education Ordinance</b>	
	It is applicable on establishments engaging ten or more workers. The benefits under this scheme go to the children of the workers for their education. Employer contribution (PKR 100 per worker per year).	This law in real sense seems dormant in all provinces which is a state of sorrow affairs for workers of every province by neglecting the enforcement of this law in its true sense. The law needs to be properly implemented and enforced in its true sense.
5	<b>Worker's Compensation Act, 1923</b>	
	The law provides compensation to the permanent workers in case of employment injury, occupational disease or death of the workers during the course of employment. The beneficiaries are private formal sector. Employer liability/employer may provide the benefit itself or through group insurance. The Government Contribution is Zero.	Law needs to be properly enforced in pandemic situation of COVID-19 by incorporating COVID-19 and its revising the schedule of the law.

**The workers are very much concerned with the initiatives under Ehsaas programs, we appreciate most of the initiatives and would like to be part of that as social partners so that to ensure inclusivity and transparency. However, workers view point of the scheme particularly in the COVID-19 context is as under:-**

Program	Description	Workers View point
Ehsaas National Socio-Economic Registry	The National Socio-Economic Registry (NSER) is underway to collect household data on socio-economic conditions at the grassroots level for future programmatic targeting.	Government is spending a huge budget (around USD 60 million or more) on updating NSER. However, the data is still insufficient to provide information about vulnerable workers and informal economy workers. NSER discriminates among poor by excluding some poor who are slightly above the threshold. This is against the Principle of Universal Social Protection – which is globally agreed and supported by Workers’ movement. NSER can be replaced with NADRA’s CNIC system (with added questions about socio-economic indicators). This is particularly needed in present COVID-19 scenario and circumstances. We believe NADRA’s electronic chip-based CNICs can record large amount of data and it can become a one-stop solution for many national surveys and Registries.
Ehsaas’ Kafaalat Programme	Kafaalat: stipends, financial and digital inclusion Kafaalat reforms the unconditional cash transfer programme of BISP. There are several objectives of the reform, one of which is to transform the “cash out only” operations into a programme that also enables financial and digital inclusion of around 7 million women through the one woman one bank account policy.	Recently, Government has identified a number of cases where Kafaalat benefits are misused by political and administrative officials. Workers’ movement had reservations on the selection criteria and eligibility of beneficiaries right from day one – due to lot of political discretion. Workers’ representatives were never included in any discussion or policy decision regarding Kafaalat Programme or its reforms.
Ehsaas Emergency Cash	Ehsaas Emergency Cash program has been designed in the context of the economic hardship being experienced by the vulnerable due to the coronavirus crisis. The financial assistance under the program is meant to help them buy rations. The program covers 12 million families; 12,000 per family, total budget Rs. 144 billion. An SMS campaign is the entry point to identify these beneficiaries.	Workers’ representatives were not consulted in designing Ehsaas Emergency Cash programme. Even Labour Export Group was one that Forum already available to the Federal Government. The selection criteria for beneficiaries is also not clear and seems discriminating against certain segments of workers and other vulnerable communities (e.g., migrant workers are excluded only because they have passports, newspaper hawkers are excluded only because they have motorcycles for the purpose, to carry and deliveries of the News papers, etc). A prior consultation with Workers’ representatives would have avoided this situation.
Ehsaas Roshan Portal	The Ehsaas Roshan Portal is a donor-beneficiary linking system for roshan distribution. It has been set up to enable the private sector and civil	<ul style="list-style-type: none"> <li>• No discussion with workers’ representation before designing or during implementation.</li> <li>• It is not clear how many beneficiaries belongs to which group – so a lot of duplication is</li> </ul>

	society organizations to reach the most vulnerable deserving beneficiaries and provide them food rashan packs or cash equivalent in the wake of the COVID-19 crisis. Through the portal, the role of government will be to facilitate linking of donors and beneficiaries (e.g., on geographic basis) and provide data of eligible beneficiaries to donors.	<p>expected.</p> <ul style="list-style-type: none"> <li>It is not clear whether workers are included, there are issues of eligibility criteria also.</li> </ul>
IT hubs and incubators in 450 BISP offices	Digital hubs will be established at the Tehsil level where the government's digital resources will be made accessible as a public good (information systems, online curricula, one window social protection interfaces) to create economic opportunities for poor families. The program will be launched soon.	<p>It is not clear how this programme will operate and how it will benefit poor families.</p> <p>It is strongly suggested to consult Workers' representative before designing/implementing this programme – to ensure its transparent implementation and equitable benefit distribution.</p>
Nutrition initiative	A new community health and nutrition initiative to cost-effectively address stunting in children has been approved by the BISP board. The program will be launched soon.	Stunted growth is an important challenge for Pakistan. This programme needs to be implemented on priority. It is strongly suggested to consult Workers' representatives to develop consensus on design and implementation.
Undergraduate student scholarships	Aimed at enhancing access to higher education by awarding 50,000 scholarships of Rs. 20 billion to undergraduate students (50 percent girls) from underprivileged families and areas over the next four years.	This seems to be an important and useful programme for youth. However, it needs to be systematically implemented. Priority should be given to most-deprived communities – particularly young persons 'Not in Education, Employment & Training (NEET)'.
Education CCT	A Conditional Cash Transfer program to provide education in lagging districts is underway. Under Ehsaas this will be up scaled to 50 districts.	This is an important programme to promote education for the under developed districts. It is important that this activity is linked to youth NEET and eliminating Child Labour. ILO can also be consulted.
Orphanages policy and reform	Ehsaas will implement a policy on basic standards for expanding the overall scale and framework of social protection services to orphanages and orphans (The orphanages policy is currently under review).	This is very important step and must be implemented in an equitable manner so that all orphans get decent living in orphanages. There is a need to develop 'minimum quality standards' for orphanages and ensuring that these standards are fully met in all places.
Support to the marginalized (Tahafuz Widow integration)	Provision of safety nets for the vulnerable to protect against shocks by one-time financial assistance against catastrophic events such as assistance to poor widows and legal aid. The program will be launched soon.	This is also very important step to support marginalized groups – however, the selection criteria and purpose of support need to be clearly defined to avoid any misuse of this scheme.
Schools for the marginalized	Revamping of 150 schools for marginalized children by Pakistan Bait ul Maal.	Education Department receives a huge amount of funds and reportedly, they can hardly spend 40-45 percent of their annual budget. Such

		schemes should be done through Education Department budget and Bait-ul-Maal should be allocated for welfare schemes for destitute.
Women's centers	Providing free trainings to widows, orphans and underprivileged girls on different skills i.e. drafting, cutting, sewing, knitting, hand and machine embroidery.	Experience has shown that the quality of training; relevance with market; and employability is very low in such parallel training institutions. Instead of creating a parallel training stream, it will be important to procure services of existing good quality training facilities and mainstream widows, orphans and under privileged girls in appropriate /hi-tech trainings whereby they can have better income prospects.
Graduation and interest free loans	Under the interest free loans component of the National Poverty Graduation Initiative, 80,000 monthly interest free loans will be disbursed nationwide over the next four years.	It would be more appropriate if such Loans are provided only to those persons who have completed a basic entrepreneurship course, has developed a practical business idea; and who pass an evaluation process for soundness of business idea.
Ehsaas Amdan (Income) Programme	Ehsaas Amdan (Income) Programme will provide assets to enable the underprivileged to start small businesses along with skills training and business planning.	This seems an important programme – previously tried and tested. However, success rates are very low in past. It is important to learn lessons from past experiences and build in safeguard elements to ensure better results.
Solution Challenge Policy to build value chains (Rural Transformation Policy for Poverty)	The multi-sectoral Ehsaas Value Chain Building Committee has been constituted to develop a value chain building policy addressing rural challenges, particularly small landholdings, subsistence farming, exploitation of extractive Aarhtis (middlemen) and stress selling. Policy is being formulated.	This is an important scheme to protect interest of small farmers. However, it would be appropriate to discuss the details with wider stakeholders and ensure transparency, equity and easy access.
Policy to support the most marginalized groups	Partner with NGOs to upscale successful programs for orphans, street children, seasonal migrants, trans genders, victims of child and bonded labour and daily wage workers. The dormant organization Trust for Voluntary Organizations has been given a new mandate. Its website will be launched soon.	This is a good plan. However, before implementing this programme, Government should develop a National Registry (with NADRA) of persons in all these proposed categories (orphans, street-children, seasonal migrants, etc). NGOs should provide required support, which is technically reviewed and proven in past – to avoid duplication and misuse.
District Development Portal	Free accessibility of data will be ensured through this portal in which poverty and other socio-economic indicators across Pakistan's districts will be made available to policy makers and the general public. District Development portal will be operational soon.	Seems to be a good portal but waiting for more details to suggest workers point of view.
One window Ehsaas App	One window Ehsaas App will institute a one window operation to assist beneficiaries of social protection.	Good step; Workers are waiting for more details. It would be important to ensure such facilities are accessible for poor and destitute

		communities.
EHSAAS TV	Ehsaas TV will promote information and raise awareness on the Ehsaas program through electronic media. The channel will be on air soon.	Good step.
Governance reforms in safety net institutions	The Ehsaas Governance and Integrity Policy aims to build systems that limit opportunities for corruption and are meant to provide the backbone for transparent, efficient, accountable and well-targeted delivery of results.	Very important – to ensure adequate and true participation of workers and beneficiaries in the Governance of Social Protection institutions. At present, most of the Governing Bodies are managed by Government through their hand-picked pseudo representatives of workers and beneficiaries. Also, the number of workers/beneficiary-representatives on Governing Boards is not equitable.
Tahafuz	Tahafuz will provide safety nets for the vulnerable to protect against shocks by one-time financial assistance against catastrophic events such as assistance to poor widows and legal aid. The programme will be launched soon.	Good intervention but selection criteria, accessibility and transparency should be ensured by developing comprehensive registries of people with all possible vulnerabilities – linked with NADRA CNIC system.
Ehsaas Langar	Ehsaas will open 112 Langars nationwide over a 2-year period through public-private partnerships to serve meals to the poorest and most vulnerable segments of society.	This is a good step but seems less sustainable – as such langars (and Tandoors, in past) are capital-intensive in nature and needs continuous flow of funds – which is difficult to ensure. Such activities should be designed in a way to ensure viability and continuity.
Ehsaas Food Card	System for ration distribution in the public-private partnership mode. Ehsaas has initiated a procurement process to identify private sector partners for devising a ration distribution mechanism.	PPP is a good option – however, there should be strong safeguards to avoid any misuse of public money.
Ehsaas Garbage Rickshaw	A garbage collection vehicle that is used to earn a living through collecting and sorting out waste. Ehsaas has launched a solution challenge for the best Garbage Rickshaw design.	It is a good step – which will provide income and will improve environment. However, usually garbage sorting and dumping is done without considering safety & health of workers. There should be strong safeguards to protect workers and protect locations against exploitative use.
Ehsaas Thela	Institutionalization of a new generation of Thela design that sells food and non-food items. Ehsaas has launched a solution challenge for the best Thela design.	Good step. Details are to be seen.
Ehsaas Clean Cooking Stoves	Commercial model of a clean cooking stove to address clean cooking and reduce toxic emissions. Ehsaas has launched a solution challenge for the best Clean Cooking Stove design.	Good step. Details are to be seen.
Ehsaas Online Education	Online education content as a public good for K12, addressing the challenge of giving children quality education. Ehsaas has initiated a procurement	Good step – but access needs to be ensured.

	process to identify private sector partners for provision of online education at scale.	
Ehsaas Artisans to Fashion Houses	Connecting artisans to fashion houses for value chain development & employment. Ehsaas has initiated a procurement process to identify fashion houses willing to integrate with rural enterprise level value chains and artisans.	Good step.
Ehsaas platforms for daily wage workers	Online daily wage platform that provides opportunities to skilled or semi-skilled workers to earn a wage. Ehsaas has initiated a procurement process for receiving proposals for development of the platform.	Good step – but details need to be seen to ensure equitable distribution of benefit and prevent workers’ exploitation.
Ehsaas micro-credit for daily wage workers	Online micro-credit facilities for the unbanked and poor daily wage workers to access monthly rations. Ehsaas has initiated a procurement process for receiving proposals for set-up of the microcredit facilities.	Good step – but details need to be seen – to ensure poor people get equal access to benefit and there is no misuse of benefits.

**Workers group further elaborates and suggest:**

- COVID-19 is too big a crisis to be not left to the government alone. The need for social distancing should not abstain all of us we mean the public from social responsibilities. Rich people and philanthropic bodies should come forward in these troubled times to provide relief to the needy during and after the lockdown. This relief, however, should be channeled though a single government agency to ensure a targeted disbursement. Online training should be imparted to the youth immediately so that they might serve as volunteers to enforce the lockdown on the one hand and distribute rations and continue supplies on the other.
- At this moment, a coordination between Federal and provincial governments is crucial, that’s why a central policy is the need of hour to identify and target the beneficiaries. In this regard, digital financial inclusion should be magnified.
- There is to have price control mechanism in place so that prices of the essential commodities are not increased.
- Private sector should retain its employees instead of sending them to homes after the lockdown.
- The interest rate should not be business stimulus. Right now, the interest rate should be reduced to support debt servicing and provide cushion to the industry enhancing the economic relief package. This type of fiscal slippage would be accommodated by the IMF and we should utilize this opportunity to take care of our daily wagers in informal sector who are otherwise not covered through social safety nets.

- Macroeconomic framework needs to be revisited with the IMF, because the IMF also has a \$50 billion facility under which four to five options are available.
- There should be very intensive discussions with the Fund and we need a much bigger package to rescue our people during the lockdown phase.
- Since any additional World Bank, ADB and IMF support is not likely to be available until June or early next financial year, it is proposed the deferral of remittances of all categories of dividends, reserves, technical and royalty fees (including any payments connected with take or pay contracts) using the good offices of the SBP to persuade the enterprises to postpone the associated outflows for the remainder of this year and the first quarter of next year.
- Taking the telecom sector on board, the government can easily enhance its reach-out to the needy and there is a need to enhance the internet speed so we can timely update our database. There is a need to improve the quality of our internet service providers.
- Health response system should be well placed, and well-coordinated with transparency.
- We must also keep in mind that this preparation is for the next 10 years, as these pandemics come after every few years incurring health emergency and financial crisis. In fact, we need to learn from this and plan for the future.

**Long and medium term policy considerations are highlighted as under:**

**a. Pillar-1: Stimulating Economy & Employment**

- Making Construction Sector more employment-intensive by adopting Labour-based tech; (already in process)
- Allow less-sensitive and labour-intensive sectors to operate with strict safety SOPs
- Ensure continuity of agricultural activities to secure food basket;
- Ensure continuity of statistical activities to have updated data-sets on economy/employment

**b. Pillar-2: Supporting Enterprises, Jobs and Incomes**

- Support (short-term credit, tax breaks, subsidies) to small and medium-size enterprises;
- Income protection and compensation for jobs-disruption
- Registration of informal economy workers/establishments;
- Strengthen National Socio-Economic Registry (NSER) as well as make Workers' Registries;
- The multiple impacts of the COVID-19 pandemic on SMEs in terms of the impacts on exports, impacts on domestic producers, impacts on investment and impacts on employment & poverty need to be studied in further detail Impact of COVID-19 on SMEs;

- vi. Strengthen SMEDA for technical support to MSMEs and update SME Policy.
- c. Pillar-3: Protecting workers in the Workplace**
- i. Explore legal + financial options of granting paid leave to Regular-paid and Casual-paid employees for employment retention;
  - ii. Support workers in essential service sectors by provision of PPEs/advisories;
  - iii. Support to migrant workers through Embassies and ensure their health & safety and financial rights;
  - iv. Inclusion of Refugees – as much as possible;
  - v. Assess effects on Children’s work and take appropriate measures for elimination;
  - vi. Protection of employees through incentives for employers;
  - vii. Expand Social Protection to Informal Economy Workers and Home-Based Workers;
  - viii. Take strategic measures to reduce children’s work;
  - ix. Reintegration of returnee migrants;
  - x. Include COVID-19 in occupational diseases;
  - xi. Extend Social Protection to MSME workers.
- d. Pillar-4: Relying on Social Dialogue for Solutions**
- i. Expeditiously start tripartite social dialogue, at the Federal, Provincial and bipartite social dialogue at Enterprise levels – to identify practical Policy Recommendations;

**Being a social partner, Pakistan Workers Federation (Pakistan Workers Confederation) believes in seriousness on the part of all the stakeholders so that the efforts to fight against COVID-19 are materialized in a sustained manner and suggests the following:**

- Government – along with Employers and Workers representatives – should regularly monitor the evolving situation of labour market and take appropriate measures for addressing different challenges faced by workers and enterprises.
- Workers organization is deeply concerned over the number of workers who have been affected due to the pandemic which may reach from 12.3 Million to 18.5 Million lays off in different sectors according to a rapid assessment study as job losses have begun in sectors like wholesale, retail trade, textile, brick kiln, agriculture and transportation. This instant loss of jobs and wages will within a week raise food and housing security to emergency levels and amount of PKR: 3000/- per month (Rs. 12,000 for fourth months) would not be enough to pull on the monthly grocery expenses. Further the target groups as indentified by Workers organizations are still in neglecton.
- Those workers and enterprises negatively impacted by the coronavirus, especially in the manufacturing and services sectors, should be protected

through the extension of paid sick leave to one month. Governments should ensure that workers do not suffer any wage losses due to lockdown quarantine or isolation. Relevant national labour laws detailed at No. \_\_\_\_ needs to be fully enforced.

- The government should reduce or waive off payroll taxes for March April and May for those enterprises who retain their workforce. The government may also announce time-bound tax relief measures for enterprises who announce job-sharing schemes. Similar financial benefits can be announced for all such enterprises which register their workers with social security institutions.
- The Government can start giving unemployment benefits (at least equivalent to 80% of a minimum wage of 17,500 per month) to unemployed and initiating public employment programmes. Local government system can help in identifying individuals who lost their employment due to the enterprise closures or cancellation of public events. Workers Welfare Fund, an attached department of Ministry of Overseas Pakistanis and Human Resource Development, has an available fund of 120 billion rupees. An unreconciled amount of above than 162 billion rupees of the Workers Welfare Fund is also available in the un-utilized Federal Consolidated Fund which is managed by the Finance Division. This can be used to initiate the emergency unemployment benefits program in the country. Later on, the unemployment benefits can be based on the social insurance system where Government workers and employers should contribute.
- Recently, the Ehsaas Policy Statement had mentioned the government's aspiration to introduce a new constitutional amendment to move article 38(d) from the "Principles of Policy" section into the "Fundamental Rights" section. This change would make provision of food, clothing, housing, education and medical relief for citizens who cannot earn a livelihood due to infirmity, sickness or unemployment, a state responsibility. The time to introduce such constitutional change is now since healthcare, sickness benefits and unemployment benefits are the most needed now.
- There is a dire need to give legal cover to teleworking and flexible work time arrangements, not only for the duration of the coronavirus pandemic but for the later times to reconcile work and family.
- Tripartite social dialogue, both at the federal and provincial level, must be initiated to develop sustainable solutions to the various workplace issues emerging in the wake of COVID-19. Pakistan already has federal and provincial tripartite committees (although the Tripartite committee constituted in Sindh province is represented by NGO rather than proper workers representatives) the meetings must be called at the earliest to discuss issues of health and safety, paid sick leave and its extension, job

losses, unemployment benefits, and issues of workplace discrimination and stigmatization due to infection.

- Taking these steps, government can still limit the negative impact of COVID-19 on the labour market in Pakistan. Social Protection Framework is still pending approval of the Prime Minister. Social protection should be accessible to all irrespective of employment status, contract type or level of remuneration.
- The industries operating essentially in the domestic market will need to be focused more on, by permitting delays in the deposits of their tax liabilities, reduction in tax rates (especially through the halving of the minimum turnover tax). This includes cement, iron and steel, fertilizer, chemicals, paper and board, etc.
- The profitability and liquidity of export industries will need to be enhanced by the restoration of the zero-rating facility, at least until the end of June 2020; to be replaced next year by a cash incentive of 10 percent which would be payable automatically to the exporter by SBP on receipt of export proceeds in lieu of other incentives. Estimates suggest that this measure, while improving the timely availability of liquidity to the exporter will also be revenue neutral.
- Reduce energy tariff to reflect the reduction made by the government in the domestic prices of oil and the decline in the import price of coal and oil.
- The proposed credit flows to SMEs and large enterprises in the formal sectors of the economy would be needed by them to finance wages, rental costs and debt servicing obligations. This assistance can be for a period of say 6 months to be repaid over a 3-5 year period. The portion pertaining to wages should be paid directly into the bank accounts of individual members of their labour force (using personal CNIC and EOBI data). Contractual agreements with these firms would have in-built penalties in case money is not targeted properly. This measure could serve as an attractive incentive for SMEs to opt for a more acceptable degree of documentation.
- The tax credit on charitable donations to recognized Civil Society organization including Trade Union and to the Government's proposed Special Fund may be raised to 40 percent as per Section 61 of the Income Tax Ordinance.

- Strengthen occupational health and safety measures for all workers, especially those working on the front line dealing with hazards, and ensure the provision of sufficient and adequate protective equipment;
- Upgrade social protection programmes by ensuring health care services, paid sick leave, maternity/parental leave, etc. The most vulnerable groups of workers such as women, youth, older workers, migrant workers, workers in informal sectors should be paid more attention to;
- Bargain with trade unions regarding the impact of COVID-19 on the workplace to protect the health and safety of all workers and their family members, as well as to mitigate the negative impacts of the virus while avoiding any lay-offs;
- Work together with trade unions to ensure that governments' measures are implemented for all workers;
- Ensure the non-stigmatisation, non-discrimination or non-disadvantaged against any worker under the pretext of dealing with the virus;
- Badly needed health insurance for all frontline staff and testing and mobile health camps everywhere and safe shelters for affected persons;
- Employers must not use the crisis to make profit through tax breaks unless these directly go to full employment measures;
- To address apprehended food crisis remove small farmer's debt, blocks on transport, and other steps;
- Specifically, from the workers side we need an abolition of Daily Wage and Contract Employment System and emphasize on registration of all workers in the country with health insurance and food security;
- Labour department should be liable to issue an immediate Notification for the SOP's for factories to shut down, on the condition that they will not lay off their workers and pay the full salaries.
- Safety of workers is the responsibility of employer therefore the factories should ensure compliance of provision of PPEs to all the workers, especially frontline workers.
- Health insurance and PPEs should immediately be provided to all nursing and health care sector workers.
- All workers, formal and informal, domestic and agricultural, as well as migrant and homeless, must be registered, so as to benefit from any relief package.
- Among other sectors, Technical Education & Vocational Training (TVET) is also almost completely halted due to the closure, all education, commercial, and social activities. As a result, many ongoing TVET programmes had to stop including pre and post training services such as career guidance and assessment and job matching could no longer be offered due to a variety of reasons and beneficiaries are suffering. As a result, the delays in the

acquisition of competencies are now already affecting the immediate and future careers of millions of learners and workers. With the physical closure of TVET system urges the adoption of an electronic or web-based approach on distance learning, guidance and assessment to empower the most vulnerable, including returning migrants. In fact, the COVID-19 crisis should be seen as an opportunity to innovate, reflect and build a cost-efficient system capable of addressing both these immediate needs as well as the required longer-term reforms. In this situation, it is important to work out a strategy to mitigate effects of COVID-19 on TVET Sector and to discuss how to continue TVET in COVID-19 Pandemic situation jointly by all stakeholders. Pakistan is prone to many types of shocks and disasters (earthquakes, floods, pandemics, conflicts, etc). Every time, Government has to improvise its response to shocks. In order to be prepared, Government should establish a regular shock-responsive social security system;

- The system of cash transfers to the poor communities has usually been very cumbersome and at time, humiliating. During cash transfers, social distancing and other preventive measures are violated on a number of occasions. Government should develop a worker-friendly cash transfer system where cash distribution is done in an honourable manner – without infringing on workers’ dignity and self-respect.
- Despite best efforts by Provincial Governments, there are a number of reported cases where Employers have laid-off their workers due to COVID-19 lockdown. Some of such decisions are challenged in courts as well. Government should ensure that no workers are laid-off or jobs-lost or income deducted and legal support should be provided to the matters being pursued in court cases.
- Anti-labour policies of the Sindh Government are condemned and the trust money belonging to the workers should immediately be returned back to WWF and SESSI.
- Government is gradually opening up commercial and industrial activities (particularly, construction and export-oriented). Despite Government’s best intentions to ensure social distancing and other preventive measures at workplaces, it is unlikely that all workplaces will follow SOPs. There is need for frequent social dialogue to better understand ground realities and ensure compliance with SOPs for opening of businesses.
- COVID-19 pandemic should be taken as a wake-up call to strengthen Occupational Safety & Health (OSH) systems to rapidly respond to any emerging situation and health-related pandemics.
- Under the garb of COVID-19 response, Government has declared the workers of Pakistan International Airlines (PIA) as ‘essential workers’ and stripped them off their rights for freedom of association and collective bargaining. Subsequently, all unions and staff associations are dissolved. Such practices may create resentment among workers and pandemic should not be used to deprive of the workers their basic rights enshrined in the Constitution.

### **Implementation of WHO Guidelines and SOPs AT Workplaces**

While provinces of Punjab and Sindh have already enacted occupational safety and health legislation, other provinces are still lagging. Trade Unions with its works council, provided under the Industrial Relations legislation, as well as OSH Committees, to be constituted at the plant level under the OSH legislation can play a role in awareness-raising on social distancing and other hygiene measures at workplaces. There is sever need to implement labour laws so that workers may not be affected otherwise. Health and safety provisions from Factories legislation should be applied earnestly.

**The Labour Movement of Pakistan fully support Public health and social measures in the workplaces proposed by WHO as under:-**

Categories/ Issues	Qualifications/ Details
Workplace risk assessment	<p>COVID-19 is transmitted primarily through respiratory droplets or contact with contaminated surfaces. Work-related exposure can occur anytime at the workplace, during work-related travel to an area with local community transmission, as well as on the way to and from the workplace.</p> <p>The risk of work-related exposure to COVID-19 depends on the probability of coming into close (less than 1 meter) or frequent contact with people who may be infected with COVID-19 and through contact with contaminated surfaces and objects. The following risk levels may be useful in carrying out a workplace risk assessment for exposure to COVID-19 and planning for preventive measures in non-healthcare workplaces. In these risk categories, persons referred to as 'known to be or suspected of being infected with COVID-19' generally refers to persons who have already had a positive test or diagnosis. Although such persons should be cared for in isolation, some occupations may still have a higher risk of exposure (e.g. home care workers, personal service providers where necessary, pharmacy front-line staff).</p>
Jobs with low exposure risk	Jobs or work tasks without frequent, close contact with the general public and other co-workers, visitors, clients or customers, or contractors, and that do not require contact with people known to be or suspected of being infected with COVID-19. Workers in this category have minimal occupational contact with the public and other co-workers.
Jobs with medium exposure risk	Jobs or work tasks with close, frequent contact with the general public, or other co-workers, visitors, clients or customers, or contractors, but that do not require contact with people known to be or suspected of being infected with COVID-19. In areas where COVID-19 cases continue to be reported, this risk level may be applicable to workers who have work-related frequent and close contact with the general public, visitors, or customers in high-population-density work environments (e.g. food markets, bus stations, public transport, and other work activities where physical distancing of at least 1 metre may

	be difficult to observe), or work tasks that require close and frequent contact between co-workers. In areas without community transmission of COVID-19, this scenario may include frequent contact with persons returning from areas with community transmission.
High exposure risk	Jobs or work tasks with high potential for close contact with people who are known or suspected of having COVID-19, as well as contact with objects and surfaces possibly contaminated with the virus. Examples of such exposure scenarios outside of health facilities include the transportation of persons known or suspected to have COVID-19 in enclosed vehicles without separation between the driver and the passenger, providing domestic services or home care for people with COVID-19, and contact with dead bodies of persons who were known or suspected of having COVID-19 at the time of their death.
<b>Preventive measures at workplaces</b>	
Hand hygiene	<ul style="list-style-type: none"> <li>• Regular and thorough hand washing with soap and water or hand hygiene with alcohol-based hand-rub before starting work, before eating, frequently during the work shift, especially after contact with co-workers or customers, after going to the bathroom, after contact with secretions, excretions and body fluids, after contact with potentially contaminated objects (gloves, clothing, masks, used tissues, waste), and immediately after removing gloves and other protective equipment but before touching eyes, nose, or mouth.</li> <li>• Hand hygiene stations, such as hand washing and hand rub dispensers, should be put in prominent places around the workplace and be made accessible to all staff, contractors, clients or customers, and visitors along with communication materials to promote hand hygiene.</li> </ul>
Respiratory hygiene	<ul style="list-style-type: none"> <li>• Promote respiratory etiquette by all people at the workplace. Ensure that medical face masks and paper tissues are available at the workplace, for those who develop a runny nose or cough at work, along with bins with lids for hygienic disposal.</li> <li>• Develop a policy on wearing a mask or a face covering in line with national or local guidance. Masks may carry some risks if not used properly. If a worker is sick, they should not come to work. If a member of staff or a worker feels unwell while at work, provide a medical mask so that they may get home safely. Where masks are used, whether in line with government policy or by personal choice, it is very important to ensure safe and proper use, care and disposal.</li> </ul>
Physical distancing	<ul style="list-style-type: none"> <li>• Introduce measures to keep a distance of at least 1 metre between people and avoid direct physical contact with other persons (i.e. hugging, touching, shaking hands), strict control over external access, queue management (marking on the floor, barriers)</li> <li>• Reduce density of people in the building (no more than 1 person per every 10 square metres), physical spacing at least 1 metre apart for work stations and common spaces, such as entrances/exits, lifts, pantries/canteens, stairs, where congregation or queuing of</li> </ul>

	<p>employees or visitors/clients might occur.</p> <ul style="list-style-type: none"> <li>• Minimize the need for physical meetings, e.g. by using teleconferencing facilities</li> <li>• Avoid crowding by staggering working hours to reduce congregation of employees at common spaces such as entrances or exits</li> <li>• Implement or enhance shift or split-team arrangements, or teleworking</li> <li>• Defer or suspend workplace events that involve close and prolonged contact among participants, including social gatherings.</li> </ul>
Regular environmental cleaning and disinfection	<ul style="list-style-type: none"> <li>• Cleaning, using soap or a neutral detergent, water, and mechanical action (brushing, scrubbing) removes dirt, debris, and other materials from surfaces. After the cleaning process is completed, disinfection is used to inactivate (i.e. kill) pathogens and other microorganisms on surfaces.</li> <li>• Selection of disinfectants should align with the local authorities' requirements for market approval, including any regulations applicable to specific sectors.</li> <li>• High-touch surfaces should be identified for priority disinfection (commonly used areas, door and window handles, light switches, kitchen and food preparation areas, bathroom surfaces, toilets and taps, touchscreen personal devices, personal computer keyboards, and work surfaces).</li> <li>• Disinfectant solutions must always be prepared and used according to the manufacturer's instructions, including instructions to protect the safety and health of disinfection workers, use of personal protective equipment, and avoiding mixing different chemical disinfectants.</li> <li>• In indoor workplaces, routine application of disinfectants to environmental surfaces via spraying or fogging is generally not recommended because it is ineffective at removing contaminants outside of direct spray zones and can cause eye, respiratory, and skin irritation and other toxic effects.</li> <li>• In outdoor workplaces, there is currently insufficient evidence to support recommendations for large-scale spraying or fumigation.</li> <li>• Spraying of people with disinfectants (such as in a tunnel, cabinet, or chamber) is not recommended under any circumstances.</li> </ul>
Risk communication, training, and education	<ul style="list-style-type: none"> <li>• Provide posters, videos, and electronic message boards to increase awareness of COVID-19 among workers and promote safe individual practices at the workplace, engage workers in providing feedback on the preventive measures and their effectiveness.</li> <li>• Provide regular information about the risk of COVID-19 using official sources, such as government agencies and WHO, and emphasize the effectiveness of adopting protective measures and counteracting rumours and misinformation.</li> <li>• Special attention should be given to reaching out to and engaging vulnerable and marginalized groups of workers, such as those in the informal economy and migrant workers, domestic workers, subcontracted and self-employed workers, and those working under digital labour platforms.</li> </ul>
Management of people	<ul style="list-style-type: none"> <li>• Workers who are unwell or who develop symptoms consistent with</li> </ul>

with COVID-19 or their contacts	<p>COVID-19 should be urged to stay at home, self-isolate, and contact a medical professional or the local COVID-19 information line for advice on testing and referral.</p> <ul style="list-style-type: none"> <li>• Where local community transmission is high, and work continues, allow for a telemedicine consultation where available, or consider waiving the requirement for a medical note for workers who are sick so that they may stay home.</li> <li>• All workers should be urged to self-monitor their health, possibly with the use of questionnaires, and take their body temperature regularly.</li> <li>• Thermal screening at the workplace should be considered only in the context of a combination of measures for prevention and control of COVID-19 at the workplace and along with risk communication.</li> <li>• Standard operating procedures should be prepared to manage a person who becomes sick at the workplace and is suspected of having COVID-19, including placing the person in an isolation room, limiting the number of people in contact, using personal protective equipment, and performing follow-up cleaning and disinfection.</li> <li>• It is important to contact the local health authorities and to keep attendance and meeting records in order to facilitate or undertake contact-tracing.</li> <li>• People who were in close contact at the workplace with persons with laboratory-confirmed COVID-19 should be quarantined for 14 days from the last time of the contact in accordance with WHO recommendations.</li> </ul>
Specific measures for workplaces and jobs at medium risk	<p>In addition to the above measures, for workplaces and jobs assessed to be at medium risk, the following measures should be put in place:</p> <ul style="list-style-type: none"> <li>• Enhanced cleaning and disinfection of objects and surfaces that are touched regularly, including all shared rooms, surfaces, floors, bathrooms, and changing rooms;</li> <li>• Where the physical distancing of at least 1 metre cannot be implemented in full in relation to a particular activity, workplaces should consider whether that activity needs to continue, and if so, take all the mitigating actions possible to reduce the risk of transmission between workers, clients or customers, contractors, and visitors; such as staggered activities, minimizing face-to-face and skin-to-skin contacts, placing workers to work side-by-side or facing away from each other rather than face-to-face, assign staff to the same shift teams to limit social interaction, installing plexiglass barriers at all points of regular interaction and cleaning them regularly;</li> <li>• Enhanced hand hygiene – regular hand washing with soap and water or use of alcohol-based hand rub, including before entering and after leaving enclosed machinery, vehicles, confined spaces, and before putting on and after taking off personal protective equipment;</li> <li>• Provide personal protective equipment and training on its proper use – e.g. masks, disposable gowns, disposable gloves or heavy-duty gloves that can be disinfected. Provide face or eye protection (medical mask, face shields, or goggles) during cleaning procedures that generate splashes (e.g. washing surfaces).</li> </ul>

	<ul style="list-style-type: none"> <li>• Increased ventilation rate, through natural aeration or artificial ventilation, preferably without re-circulation of the air.</li> </ul>
Specific measures for workplaces and jobs at high risk	<p>In addition to the measures above, for high-risk work activities and jobs, the following measures should be implemented:</p> <ul style="list-style-type: none"> <li>• Assess the possibility of suspending the activity;</li> <li>• Adherence to hygiene before and after contact with any known or suspected case of COVID-19, before and after using PPE;</li> <li>• Use of medical mask, disposable gown, gloves, and eye protection for workers who must work in the homes of people who are suspected or known to have COVID-19. Use the protective equipment when in contact with the sick person, or respiratory secretions, body fluids, and potentially contaminated waste;</li> <li>• Training of workers in infection prevention and control practices and use of personal protective equipment;</li> <li>• Avoid assigning tasks with high risk to workers who have pre-existing medical conditions, are pregnant, or older than 60 years of age.</li> </ul>
Rights, duties, and responsibilities of workers and employers	<p>Employers, workers, and their organizations should collaborate with health authorities in the prevention and control of COVID-19. The employers, in consultation with workers and their representatives, should take preventive and protective measures, such as engineering and administrative controls and provision of personal protective equipment and clothing for occupational safety and health and infection prevention and control. Such measures at the workplace must not involve any expenditure on the part of workers.</p> <p>Workers shall follow established occupational safety and health and infection prevention and control procedures, avoid exposing others to health and safety risks, participate in related training provided by the employer and report immediately to their supervisor any situation which they have reasonable justification to believe presents an imminent and serious danger to their life or health.</p> <p>Co-operation between management and workers and their representatives must be an essential element of workplace-related prevention measures (such as through workers' safety delegates, safety and health committees, and collaboration with providing information and training) and respecting the right and duties of workers and employers in occupational safety and health.</p>